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GREAT EXPERIMENT PRICE MAINTENANCE MAKING HEADWAY

In Three Lines of Business, Progress is Now Reported

AIM AT STABILITY

Protection for Manufacturer of a Branded Article and Fair Profit for Distributors Sought

Price stabilization is the business question of the hour in Canada. Attempts to inaugurate an experiment in price maintenance in a number of lines are coming to a head. Tire manufacturers and distributors have already worked a system for the maintenance of prices to the consumer on standard makes of tires; this week the retail and wholesale grocers, together with a group of food specialty manufacturers, met in conference and the result was the inauguration, on a small scale at least, of a price maintenance policy on some of the identified (that is, trade marked, branded, or much advertised) lines. Next week, it will be the turn of the drug trade. original promoters of price stabilization. and it is hoped that the price maintenance campaigning of the past year will result in the establishment finally of a proprietary articles association, such as has functioned successfully in Great Britain for forty years, in protecting prices on some 2,000 branded lines of merchandise.

If price maintenance proves feasible and workable in these lines, it will undoubtedly be extended to other fields such as men's furnishings, some hardware lines, etc.

The price maintenance campaign is a development growing out of the troubled conditions of merchandising of the past few years, which have upset to a considerable degree the established conditions in the field of distribution. Merchandising units have grown up on a scale previously unheard of; these are the large department stores. mail order houses and chains of shops. They have demanded and obtained special consideration in the purchase of goods and have practically eliminated the wholesaler from their distribution chain. By the elimination, too, in some cases, of the "service" functions of the ordinary retail store they have so reduced their costs as to be able to cut prices below the point that would afford a living profit to the retail merchant who was prepared to give delivery, charge, and full assortment services to his customers.

Development of the new merchandising units might not have caused any real upset in the ordinary chain of distribution had not something like a merchandise panic hit the trade. A veritable avalanche of price cutting, secret rebates, quantity discounts. direct sales from manufacturer to retailer, has fallen upon the wholesale and retail trade of Canada.

Price Maintenance Offered as Cure

Price maintenance is now suggested as the remedy that will bring relief to the thousands of independent retail merchants throughout Canada, who are the back bone of the distribution system and who, through control of perhaps 80 per cent. of the retail sales of the country are able to make or break any manufacturer, aiming at thorough coverage of Canada as a whole or any substantial part.

The plan is for the formation of an association that will assist the manufacturer in enforcing strict adherence by distributors to the wholesale and retail prices that he fixes, the penalty for the price cutter on any line definitely taken under the association's wing being stoppage of his supplies of all identified lines.

Retailers, on the whole, are enthusiastically for the plan. Wholesalers. too, may be put down as strongly favoring it. These two final links in the chain of distribution see in it the living wage for the services they render in the sale of any particular article. Manufacturers have, in a number of cases, declared themselves for price maintenance; others are hesitating; their grounds for deferring their decision are varied. Some question the workability of the plan. Others question its legality, although the backers of the campaign seem fairly well to have established that point. Others see in their support of price maintenance the possible loss of some of their biggest mail

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Canadian Paperboard Gets Control of U.S. Company

MONTREAL.—The gradual increase of the U. S. investment in the Canadian pulp and paper industry is admitted; it is interesting, therefore, to note that occasionally the investment expansion works the other way. The president of the Canadian Paperboard Company, J. G. G. Kerry, has purchased the controlling interest in the Uncas Paperboard Company at New London, Conn. Mr. Kerry states that this is simply a private venture, and that it is in no way connected with the management or operation of the Canadian Paperboard Company.

Richer Than Flin Flon is Claimed for New Discovery

Regarded as richer than the Flin Flon, and possibly the most important mineral development that has yet been discovered in Manitoba, is the new find at Coal Lake, thirty miles north of the Flin Flon. This property is under option to David Fasken, Toronto, and E. P. Earle, New York, who became interested through J. P. Gordon, of The Pas. They out bid the Mining Corporation after the latter had sent in an engineer and made a very attractive offer as the result of his investigations.

Diamond drilling started on this property Feb. 1, and five holes have been put down. The ore has been exposed for one and a half miles with a width of 40 to 70 feet. This ore is said to be richer in ore metals than the Flin Flon ores and indications are that it may be the larger and more valuable property.

THE AUSTRALIAN TREATY INCREASES PAPER EXPORTS

Pulp and Paper Industry in B.C. Expanding as a Result

From Our Own Correspondent.

VANCOUVER. — The pulp and paper industry in British Columbia was never on a sounder footing than it is to-day and all the operating mills are running at top capacity, while in the case of the Powell River plant important extensions are being made.

The Powell River Co. is now spending $100,000 on the installation of hog fuel machinery, but this represents only a very small item in the entire programme of expansion, which will cost approximately $4,000,000. The plan of the company is to increase production to 300 tons a day.

No change in policy has been announced for Pacific Mills, Ltd., since its absorption by the Crown Willamette interests. Both the Pacific Mills and the Powell River plants are now turning out over 200 tons daily.

The Canadian-Australian trade treaty, which provides preferential tariff treatment for Canadian pulp and paper, has already had its effect in building trade with the commonwealth and new business amounting to $1,500,000 since the treaty became effective on October 1 is directly traceable to the pact.

Whatever Lawrence Killam, new head of the reorganized B.C. Pulp & Paper Co., formerly Whalen, has in store for that concern in the way of readjustment of policy is not likely to be realized for some weeks. Nor has anything new transpired in the affairs of the Canadian Forest Products, Ltd., formerly known as the Beaver Cive Timber & Pulp Co., which is being developed by the International Harvester interests.

Meanwhile preliminary plans for the building of a $2,000,000 pulp and paper plant at New Westminster to be known as the Dominion National Consolidated Industries, Ltd., are rapidly going forward.

BILL SUGGESTS TAX ON HYDRO OPERATIONS

Niagara Falls Member Favors Taxing Hydro on Same Basis as Private Concerns

The question as to whether or not the Hydro-Electric Power Commission should be taxed at the same rate as the operations of private concerns will be discussed in the Ontario Legislature in connection with a bill introduced by W. G. Willson, Conservative, of Niagara Falls. The bill deals with the question of the exemption of Hydro from all except school taxes. It is stated that its approval would mean a revenue of some $4,000,000 each year for Ontario municipalities.

Although dealing specifically with the situation in the Township of Stamford in which the Niagara generators are largely located, the bill applies to the entire province. It is said to be based on the stated policy of the Hydro, expressed by Sir Adam Beck, that Hydro should pay taxes on its land—that the Township of Stamford should not lose a cent in connection with the change to public ownership of the Ontario Power Co. and the Electrical Development Co.

After this change was effected the township received its land tax amounting to $9,914 per year, but lost its building assessments upon the power companies which would have returned $141,219 under private ownership. It is estimated that the taxable value of power companies in Niagara Falls, N. Y., is $85 per horsepower, and the municipality secures annually in revenue from this source, a total of $732,397. against $23,000 which the municipalities on the Canadian side of the river receive from Hydro.

The net effect of the passing of the bill would be that $4,000,000 would be taken from the users of Hydro, who are directly benefiting from the commission's operations, and would be distributed to the advantage of all taxpayers alike.

TURNER VALLEY FIELD PROVIDES NEW SENSATION

Alberta Oil Stocks Soar on Report of Gas and Oil Strike

From Our Own Correspondent.

CALGARY.—The strike of a flow of gas that measures 1,500,000 cubic feet per day and is bringing up spasmodic bursts of oil, was the sensation contributed to oil excitement in Calgary by the McLeod No. 2 well, last Saturday. The well is on L.S.D. 16, 1-20-3, W 5, and the gas strike was made at 3,354 feet.

As a result of the new flow exaggerated stories were circulated in the city and all stocks ascended. McLeod, which had been selling around $4.00 for $1.00 par shares, hit as high as $20.00, coming down to $8.00 a few hours later. It has fluctuated between $8.00 and $10.00 subsequently.

The company is now controlling the gas and oil flow and will drill deeper. It is not thought that they actually struck new oil at this stage, but only a new gas flow, which is forcing up the oil that is coming into the hole at higher levels. The well has struck oil at several different depths. The No. 1 well, beside it, is producing 15 barrels per day from the 2,397 foot level.

Royalite No. 4 hit a gas flow of 7,00,000 on its way down to the present naphtha production at 3,740 feet.

Oil in the Hole

With the eight-inch casing carried down to the present drilling level, the Vulcan well is plugging away at 4,025 feet. There is considerable oil in this hole from various small strikes on the way down. The drill is now making steady progress through hard drilling.

The Dalhousie crew at the company's No. 3 well (old Alberta Southern No. 1) is making good headway running 6 inch casing into the old hole. They will deepen this hole from its present level of 3,008 feet. The company announces that they will probably start drilling their No. 1 well (old Southern Alberta No. 1) deeper next week. This hole was originally drilled to 3,545 feet with six-inch casing.

The Big Chief well, 1,800 feet, is running 12-inch casing.

The crew at the Advance well (old Acme) is still working preparatory to carrying on operations to deepen this hole from the old depth of 3,160 feet.

On the Moose Mountain structure Signal Hill Company is still working to get the old Moose Mountain No. 2 well in shape for deeper drilling. The well is down 1,847 feet.

At old Bragg Creek well Cherokee drillers are underreaming and run-

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Sacrifice of Workers in Taking Wage Cut to Secure Business Has Brought Results

HALIFAX. — Some time ago the employees of the nail plant of James Pender & Co., Ltd., of St. John, hearing that the Canadian market in the West Indies and Jamaica was being threatened by foreign-made products, offered to reduce the cost of manufacture by giving free several hours overtime a week in order to try and hold the company's business in those localities. The action of these men was reported from coast to coast in Canada, and even many of the newspapers in the United States published stories of their co-operation, and many commendatory editorials were published, not only on the American continent but also in the Old Country. It is gratifying to learn, says the Maritime Merchant, that, through their exemplary conduct, the plant for which these men worked has been able to recover and stabilize the Canadian market, even in the face of low-priced competition.

A statement to this effect was made here recently in an address by W. F. Knoll, manager of the Pender plant, in explaining to a large audience how the co-operative system was worked out in the shop which is under his charge, and which is a subsidiary of the British Empire Steel Corporation.

Changing Taxes Disturbing to Canada's Trade and Industry

Impossible to Budget Business Program Without Stable Tariff, Sales and Other Taxes — The Glass Industry as an Example

As has been previously brought out by Canada's industrial and business leaders, the difficulties in regard to the tariff and other taxation levies are greatly aggravated by the atmosphere of uncertainty which has prevailed in regard to them in recent years.

Under the present conditions in the industrial and business world, with high costs of production and distribution, it is imperative that in making plans in regard to financing raw materials and estimating costs and selling prices that a definite budget should be drawn up. Bankers making credit arrangements demand this. And to draw up such a budget is practically impossible when there is well-founded doubt as to what the import duties on materials and competitive products will be, not to mention business taxes, sales taxes, etc.

This state of affairs has been brought out in regard to the Canadian glass industry, which has been practically at a standstill because of an unsettled tariff policy. The following summary brings out the changes which have been made in recent years in regard to the duties affecting this industry:

DUTIES ON WINDOW GLASS AND DATES OF IMPOSITION

	Pref.	General	War or Sales Tax
1897	20%	20%	..
Aug. 1, 1898	15	20	..
June 25, 1900 ...	20*	20	..
Aug., 1904	10	20	..
Nov., 1906	7½	15	..
March, 1910	7½	12½	..
April, 1915	7½	12½	7½%
May 18, 1920 ...	7½	12½	1
May 10, 1921 ...	7½	12½	2½
May 24, 1922 ...	7½	12½	3¾
May 10, 1923 ...	7½	12½	6
April 11, 1924 ...	7½	12½	5
1925	7½	11¼	5

*Less 3%.

Idle for the past two years, the $2,000,000 plant of the Libby-Owens Sheet Glass Co., at Hamilton, would be at once re-opened if the federal government would provide adequate tariff protection. Further, there is every probability that the capacity of the plant would be doubled, which would mean an influx to the city of 1,000 skilled workmen, or approximately 4,000 persons. These statements were made in a letter to C. W. Kirkpatrick, industrial commissioner of Hamilton, by John W. Hobbs of Toronto, vice-president of the company, and director of the Consolidated Plate Glass Co. of Canada.

The recent strengthening of the dumping laws by the decision of the Dominion government to take the market value for purposes of customs taxation, of goods from Italy, France and Belgium at the current market value of similar goods made and sold in the British market, will not be satisfactory to the Libby-Owens Co. says Mr. Hobbs. In order that protection thus afforded be of any value to the plate glass industry, he says, such imports must be taxed on the value of similar goods in the American market.

The company will place its petition before the Dominion government, and Hamilton's industrial commissioner, supported by the city council, will also urge on the government the necessity of affording the company adequate protection as Hamilton is anxious that the Libby-Owens plant be again operated.

Tariff Board Needed

Under the circumstances the need for a tariff board or some other advisory body of experts, to advise the Minister of Finance in the framing of the budget and the taxation program is apparent. Such a body, if properly constituted, would have the effect of taking the tariff and taxation out of the political atmosphere, and there would be provided an opportunity for constant study so that import duties, business taxes, etc., could be adjusted on a scientific basis with a minimum of disturbance to industry and trade.

Have Bondholders' Rights Been Ignored in Manitoba Bills?

WINNIPEG.—Bills providing for the sub-division of the Municipality of East Kildonan to create a new district of North Kildonan, and for the sub-division of the Town of Morris so that a portion of the townsite will be included with the adjoining municipality, have been introduced in the provincial legislature. These bills have an important bearing on the status of the holders of outstanding bonds for these municipalities. It can be readily appreciated that a holder of a bond who has for his security the property of a certain municipality will not be in the same position if he is arbitrarily forced to take as his security a proportionate claim against a much smaller area.

Where it is advisable to make adjustments of this kind a satisfactory arrangement may be worked out with the bondholders but in the instances referred to there is nothing to indicate that the bond dealers have been consulted. If they have not, the legislation proposed can only be regarded as high-handed in relation to their rights.

Canada Steamship Lines Buys Playfair and George Hall Lines

Earnings and Working Capital Show Big Improvement — All Outstanding Stock of George Hall Coal and Shipping Company and Fixed Assets of Great Lakes Transportation Co. Purchased

From Our Own Correspondent.

MONTREAL.—The curtain of mystery surrounding the Canada Steamship Lines has finally been lifted and reveals a large increase in the net profits during 1925, a decided betterment in the company's working capital position, a reorganization in the capital structure, which will wipe out the goodwill account, and finally the acquisition of the Great Lakes Transportation Company and the George Hall Coal and Shipping Company. All that has been accomplished is of a definitely constructive nature and reflects the capabilities of the management.

The purchase of the two shipping companies has been completed and at the forthcoming annual meeting, the shareholders will ratify only the change in the company's financial structure. In the latter, the position of the preferred shareholders will not be altered in any way. The goodwill account which now stands amongst the assets at $8,035,662 is to be completely written off. The corresponding change in the liabilities will include changing the par value of the common stock to no par value. The common will be then shown on the balance sheet at $6,000,000, instead of $12,000,000 as at present. This is the change in the capitalization which has long been anticipated by the shareholders. The common stock, after the change to no par value, will have a book value of between $40 and $50.

Large Purchase Ratified

At the meeting of the "Steamers" directors this week the purchase of the two competing lines was ratified. Canada Steamship Lines will therefore acquire the entire fleet of the Great Lakes Transportation Company, the Midland Shipbuilding Company, a coal dock and grain elevator at Midland and every share of outstanding stock, both preferred and common, of the George Hall Coal and Shipping Company.

This means that the C. S. L. will add 42 new vessels to its present fleet, which numbers 77. Fifty per cent. of the acquired ships are less than two years old. The temporary financing to take care of the purchase has been arranged and the total sum involved in the deal is in the neighborhood of $12,000,000, although a considerable portion of this consists of mortgages which the C. S. L. will naturally not meet until due. No definite arrangements have been made with regard to the form the ultimate financing will take.

The amalgamation will be productive of savings of many hundreds of thousands of dollars annually—but it is fair to state that in view of the company's earning record over the past four years, there is no likelihood of the payment of any preferred dividends at the present time.

All One Management

The new ships will immediately come under the control of "Steamers" and all three lines in due course will be operated as one. It seems probable that both James Richardson, of Winnipeg, and James Playfair, of

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Investment in Canadian Mining Now Totals Over $600,000,000

Statistics compiled by the Federal Bureau of Statistics show the investments in Canadian mines to date amount approximately to $632,444,000. Of this sum $481,823,000 is invested in metal mining and metallurgical works treating Canadian ores. Investment in non-metal mines totals $259,361,000, and the cost of properties and plants producing structural materials and clay products is $91,255,000.

Investment in coal mining accounts for 23 per cent. of the total capital employed in the mining industry. Gold quartz mines represent another 13 per cent. of the capital, metallurgical work 10 per cent., natural gas 8 per cent., nickel, copper and silver-Cobalt 7 per cent. each, cement 6 per cent, clay products 5 per cent.

Ontario mines count 41 per cent. of the total investment in the industry. The relative investment of all provinces in mining is as follows:

Ontario, 41 per cent.
British Columbia, 17 per cent.
Alberta, 15 per cent.
Quebec, 12 per cent.
Nova Scotia, 9 per cent.
New Brunswick, 1 per cent.
Manitoba, 1 per cent.
Saskatchewan, 1 per cent.

U.S.A. HOUSES PUT NEARLY $8,000,000 IN BIG TERMINAL

Financing is Arranged for Harbor Front Warehouse Scheme

CONSTRUCTION STARTS

Toronto Storage Warehouse Proposition Advances Another Stage in Sale of Bond and Stock Issues

Securities of the new Toronto Harbor Terminals will next week be offered in the United States and Canada. Syndicates of New York, Philadelphia, Montreal, and Toronto investment houses have already acquired the first mortgage bonds, general mortgage bonds, convertible debentures and preferred stock of this new harbor front warehouse, and the issues are scheduled for early sale.

A syndicate headed by White, Weld and Company, of New York, have purchased and will shortly offer $3,500,000 of 6½ per cent. 25-year first mortgage bonds of the enterprise. A syndicate headed by Edmund Seymour and Company, of New York, have acquired and will offer $2,250,000 general mortgage bonds, while a prominent Montreal house has bought $1,000,000 of 7 per cent. debentures, convertible into preferred stock at the option of the holders or issuers. About $400,000 of 7 per cent. preferred stock has been privately placed, and this issue will be brought up to $1,000,000.

Commence to Build March 1

It is planned to commence construction work on the new terminal warehouse about March 1, and a large amount of money has already been expended for plans, approaches, etc. The site chosen is in the centre of the harbor development of the city of Toronto, and is so situated as to be easily served by both of the large railway systems and by all steamship lines. On this site, fourteen acres of land have been reserved, and on it is being erected a terminal warehouse of about 900,000 square feet capacity, with provision for merchandise storage, cold storage, fruit market and ice manufacture, as well as steamship offices and waiting rooms.

Construction will be in charge of a large firm of warehouse engineers who have built a chain of similar warehouses throughout the United States, but with supervision by a Toronto contractor.

Warehouse Need is Cited

Need for such a warehouse in Toronto is stated by those behind the enterprise to be keenly felt. Both railways have offered co-operation, and, in fact, the construction of the warehouse is eliminating a smaller warehouse scheme that had been under discussion in C. N. R. circles. Manufacturers have already inquired for space, and it is believed that about two-thirds of the available space will be booked before the warehouse is completed.

It is understood that various parties have had such a warehouse in contemplation for over a year past. One scheme was said to involve Detroit interests, while a large Toronto builder also had plans drawn for a warehouse on the harbor front. A third proposal was also under consideration, but the interests behind the present warehouse, who are represented by the Municipal Bankers' Corporation of Toronto, were able to obtain the necessary land options and to arrange financing on a scale so much more comprehensive than any of the other interests, that they immediately were able to interest the Toronto Harbor Commission in endorsing their plans.

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The Trend of Business and Industry

Conducted by H. M. CAMERON, Statistical Editor, The Financial Post.

Market Analysis Paves Way to Reduced Selling Costs

Buying Power, Living Conditions and Population Characteristics Are Barometers of Market Potentialities

NEXT to the gathering of general statistics on the cost of distribution in various parts of the country, there is no more potent weapon towards lowering these costs than a thorough analysis of all the factors affecting the market where the product is being sold. The days of haphazard and indiscriminate marketing are over. The firm which neglects to study its market and the methods by which it is best approached and covered, cannot long remain in the keen competition of to-day. It is numbered among the business failures. The needs of Quebec vary widely from the needs of Alberta. So do the methods of selling in these far separated provinces. The progressive business house of to-day is in possession of the most detailed facts with regard to buying power, living conditions and every other factor that affects the volume and cost of sales.

NOT long ago the writer was asked by a leading Canadian firm engaged in the production and marketing of a building product, to make an exhaustive survey of Canadian homes from coast to coast. What was wanted was a complete catalog of the total number of homes in Canada, by provinces, specifying their age, material, condition of repair, insurance protection, and similar facts. The firm in question has agents in all provinces. They know the volume of their business by years and areas to the last dollar. What they wanted to know was how they could reduce their selling costs and at the same time increase the volume of sales.

Such methods as these are relatively few in Canada. In the past the accepted method of distribution involved sending in salesmen to cover a given area and trusting to providence that the business was there. If he came out without making any sales, it was either put down to poor salesmanship or lack of a market and the matter was dropped. Like the proverbial attempt of a British firm to sell skates in Brazil, our Canadian salesman may have been attempting to sell something quite unfitted to the market concerned. All this raised the overhead of the firm in question, and the cost of the product to the consumer.

Such methods as these are no longer adequate. The Canadian market is by no means a unit. There are differences in habits of living, in seasonable requirements, in buying power—differences which require not only varying products, but which require varying treatment. The distributor who is taking account of these factors is cutting out unnecessary sales trips, is reducing his overhead, is cutting down his selling costs.

Factors Affecting Selling Costs

A primary weapon to control the cost of selling in various areas is an accurate knowledge of the buying power of the various sections of the country. Buying power can best be measured by a study of the total revenue realized from the various branches of industry. Such statistics are now available by provinces, and certain organizations are making a study of the smaller units such as counties in the Eastern provinces, and political divisions in the West. Such factors as assessed value of property, building contracts, number of automobiles, bank debits and savings are all measures of the purchasing power of a given area. The smaller the unit for which these figures are available, the better the knowledge of market as a whole. It is not only necessary to know how many automobiles there are in any particular county, it is valuable also to know what percentage of these automobiles are purchased on credit and how many are bought for cash. The volume of securities sold in a particular area is also a valuable index. Such factors as postal and customs revenue of different sections serve as a measure of buying power.

Living Conditions Important Factor

Further than mere pecuniary measurements there are other indexes which are valuable in estimating the value of a given market and ultimately reducing selling costs. The habits of life are probably more important than is frequently recognized. A study, for example, of the size and type of dwelling houses and the size of the families is significant. In a farming area it is important for a distributing house to know whether the farms are occupied by the owner or whether a majority of them are occupied by tenants. It may be significant that 96 per cent. are occupied by the owner in the Maritime provinces and only 86 in British Columbia. The number of persons per dwelling also tells something of the standard of living in a particular area.

It is frequently thought that a significant barometer of market possibilities in any particular area is the number of modern improvements boasted of. The mileage of improved roads tells something of the progressiveness of the people in that area and also of the accessibility of the section. The mileage of steam and electric railways has a similar value. Certain of the more important market research bureaus in the United States as well as in Canada keep a careful record of such factors as the number of telephones, radio receiving sets, electric installations. All these factors are important in measuring market potentialities.

Population Characteristics Also

Whether an area is purely Anglo-Saxon or whether there is a large foreign element has a very definite market significance. There are many sections of Western Canada where English is never heard. The federal census provides valuable information in this respect. Other factors, such as religion, educational standing, birth and death rate and the density of the population are also important in determining the factors affecting any particular market area.

These are merely examples of the type of information that is valuable to any organization distributing goods over a wide area. If they are all available along with other similar factors, they provide a means of studying market conditions and lowering selling costs.

2,500,000 U. S. CARS ENTER CANADA

OTTAWA.—According to the figures of the Department of Customs, motor travel from the United States to Canada in 1925 created a new record. In that year, a total of 2,429,144 United States automobiles entered Canada for purely touring purposes, as compared with 1,889,210 cars in 1924. At the estimates usually accepted of four persons to a car, last year's motor tourist traffic brought into Canada 9,716,576 persons, or an aggregate greater than Canada's population. These people, it is estimated, left in Canada $188,555,400, as compared with an estimate of $143,512,520, or an increase of over $45,000,000 for the year.

CANADA'S FISH HARVEST

OTTAWA.—The value of sea fish caught and landed on both coasts of Canada in 1925 and marketed in a fresh state was $24,208,906, as compared with $22,400,617, according to a report of the Bureau of Statistics. Exports of fish last year amounted in value to $36,025,453, the principal contributing item to which was canned salmon worth $11,223,274.

Germany Now Third Best Market for Our Products

Exports There Exceed Those of Next Largest Customer By Several Million Dollars

Canadian trade with Germany has expanded steadily over the past four years until Germany is to-day the third most important market for Canadian products. Increased purchasing power and the need for raw materials which Canada produces are the chief reasons for the notable expansion in this trade. Canadian exports to Germany exceed by several million dollars the value of our exports to the next largest market. In addition, large quantities of goods are shipped to Germany by way of Netherlands and Belgium and not credited to Germany. Exports to the six largest markets during the twelve months ended January were:

United Kingdom	$497,069,058
United States	472,721,224
Germany	30,685,444
Japan	26,822,290
Netherlands	22,822,290
Belgium	21,741,899

The most important share in the rapid expansion of Canadian exports to Germany has been contributed by flour, which accounted for 32.3 per cent. of the total value of Canadian exports to that country in the twelve months ending last October. In the last two years Germany has ranked second in imports of Canadian flour, after the United Kingdom. This represents an advance from tenth place in 1922. Shipments to Germany accounted for 15 p.c. of total exports of Canadian flour in the twelve months ending last October, before the imposition of the German duty on flour. The United States is the chief source of supply but a large quantity of this flour is Canadian, and a large quantity of Canadian flour going to other European countries ultimately reached Germany. Grain comprises the next important export to Germany.

Minerals Sent Extensively

After grain and flour the largest group of Canadian exports to Germany is comprised of minerals, the most important of which are aluminum, asbestos, lead, zinc, nickel, and cobalt. The total value of the Canadian minerals and metals exported to Germany last year exceeded three million dollars and accounted for nearly 10 per cent. of the total Canadian export trade with this country.

The most notable increase was the shipment of aluminum in bars, blocks, etc., to the value of $997,528 in the twelve months ending October, 1925, as compared with $63,316 in the previous year.

Another trade of importance which developed during the past year is the shipment of refined lead and zinc spelter from British Columbia to Germany. In the seven months ending October last Canada exported to Germany 61,047 cwt. of refined lead valued at $441,095 and 24,915 cwt. of zinc spelter valued at $181,133. The German returns show an import from Canada in the eleven months ending November, 1925, of 833 tons of lead and 636 tons of zinc. The development of this trade must be considered a distinct gain to Canada, as previously only lead and zinc concentrates had been shipped.

Germany is the second largest market for Canadian asbestos and Canada is the chief source of supply for the asbestos required in Germany. In the twelve months ending October last there were exported from the Dominion to Germany 10,038 tons of asbestos valued at $811,737, as compared with 6,795 tons of a value of $606,858 in the previous year. There were also shipped in the former period 2,110 tons of asbestos sand and waste, valued at $37,330. The German statistics show the total import of asbestos in the eleven months ending November, 1925, of 11,423 tons, of which Canada is given as supplying 4,489 tons and the United States 3,743 tons. A considerable part of the asbestos consigned from Canada to Germany is re-exported to other central European countries, and this explains the discrepancy between the German and Canadian returns.

Canadian Business Indicators

INDUSTRIAL

Car Loadings—	**1926**	**1925**
Week Feb. 27	55,564	52,512+ 5.8%
Year to date	441,864	419,766+ 5.2%
Grain Receipts—		
Aug. 1 to Feb. 26	318,706,954	197,014,432+61.7%
Building—		
January	4,602,743	5,614,809—18.0%
Railway Earnings—		
12 Months—	1925	1924
C. P. R.	$183,356,005	$182,502,156+0.4%
Oper. Exp.	143,201,229	145,274,914—1.4%
Net	40,154,775	37,227,241+7.8%
12 Months—		
C. N. R.	244,971,202	235,588,182+ 3.9%
Oper. Exp.	212,706,787	218,343,931— 2.5%
Net	32,264,414	17,244,251+87.1%
Pig Iron Output—(tons)	Jan., 1926	Dec., 1925
	56,644	54,889+ 3.2%

FINANCIAL

Bank Clearings—	**1926**	**1925**
February	$1,317,595,039	$1,090,429,439+20.8%
Savings Deposits—Chart. Banks—		
December	$1,318,875,483	$1,237,611,267+ 6.5%
Current Loans—By Banks—		
December	903,259,725	938,711,730— 3.7%

COMMERCIAL

Balance of Trade—	**1926**	**1925**
12 months, Jan. 31—		
Imports	$1,292,815,351	$1,076,256,159+20.1%
Exports	901,627,988	799,952,015+12.7%
Balance	391,187,363	276,304,144+41.6%
Wheat, No. 1 Nor., Winnipeg—	1926	1925
	Mar. 8, $1.56	Mar. (Av.) $1.76
Cattle—(Good, Toronto)	Mar. 8, $8.25	Mar. (Av.) $7.44
Hogs—(Select, Toronto)	Mar. 8, $13.00.	Mar. (Av.) $13.41

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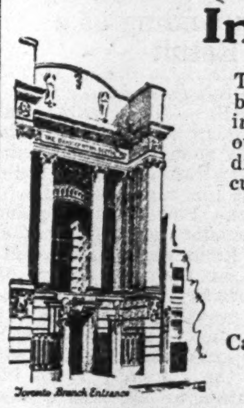

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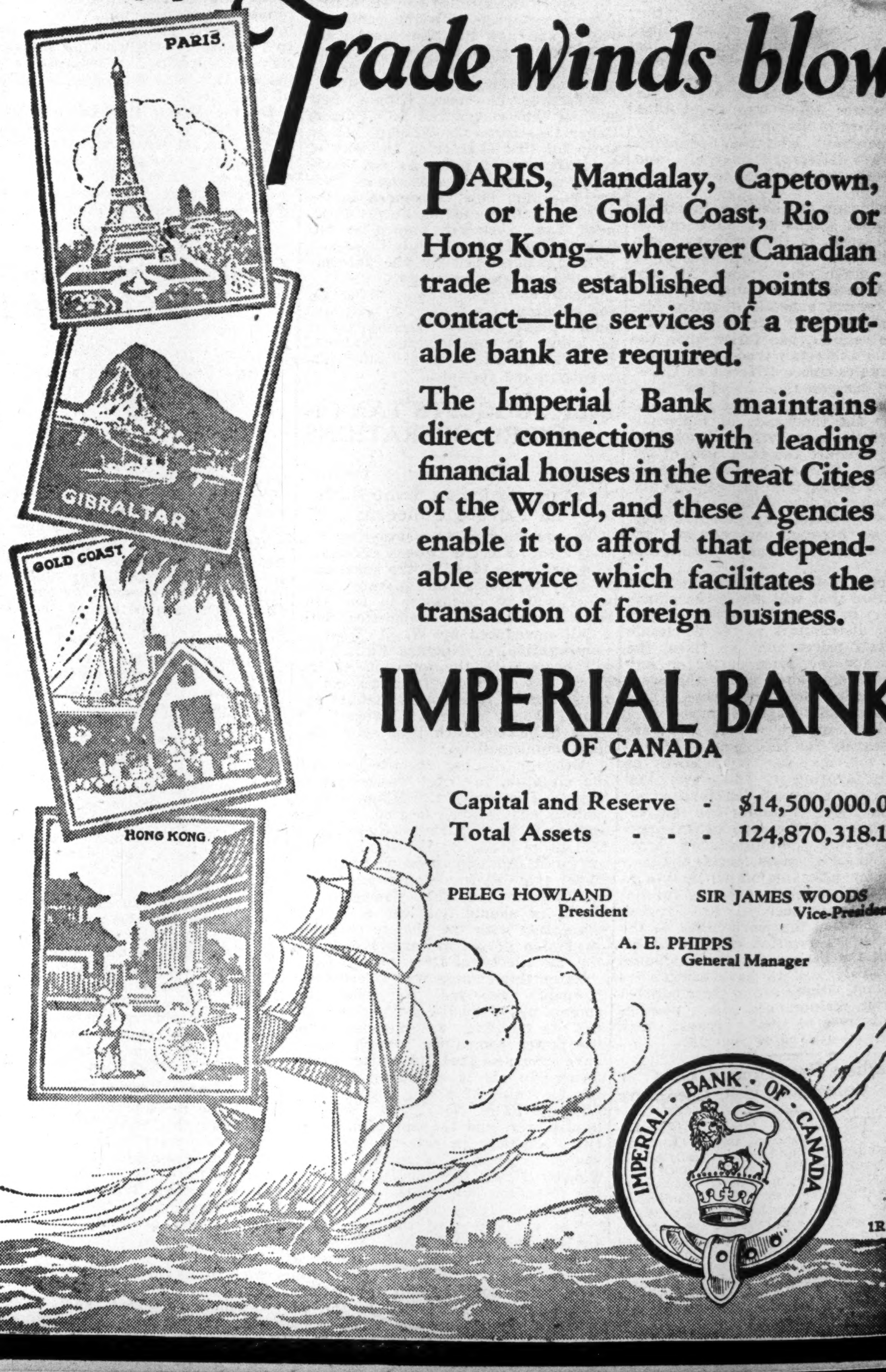

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North Dakota Returns to Sanity After Nonpartisan Experiments

"New Day" Program Proved to be an Illusion and Big Business is Now Called on to Restore Economic Order and Sound Business and Agricultural Conditions

A few years ago, when the people of North Dakota were led to believe that they had been started on the high road to heaven by the Non-partisan League, there were agitators at work in Western Canada who endeavored to get the people of our Western provinces to follow the example of their American neighbors. Very fortunately indeed for Canada the hard-headed leaders of the farmers' organizations in this country were not misled by alluring propaganda and the plans of the radicals never found general endorsation.

To-day North Dakota is recovering from a period of near-disaster. The "New Day" planned by the Non-partisan League, proved to be nothing but an illusion. The people of North Dakota are now looking for a "New Day" in which there will be prosperity, with the co-operation of that Big Business which was so much despised during the period in which socialistic ideas held sway.

While in Canada, fortunately, the example of North Dakota was not followed, radical ideas of finance and business secured a certain hold in parts of the country and had their influence on legislation. Nor have these influences entirely departed. There is still an illusion that paternalism in the form of government loans will provide a short cut to prosperity. For this reason it may be timely to review what has occurred in North Dakota. Conditions in that state are thoroughly analyzed by William S. Neal in the following article in the Nation's Business.

Any man, who in 1919 had told the sturdy hard-working farmers of North Dakota that their "New Day" program was an illusion, that the farmers themselves would in six years welcome back "Big Business" would have been laughed out of the state or locked up as a dangerous lunatic.

The Nonpartisan League which fostered and promised this "New Day" was a farmer-labor coalition. A program foreign to the time-honored conception of the function of government and business was announced.

The term "New Day" pleased its originators. It expressed their thought and purpose. The state would slay the dragon, "Big Business." The state would itself become "Big Business," with banks, flour mills, packing plants and what not. The sky was the limit.

Nearly a decade has passed since the Nonpartisan League came into power. North Dakota is again looking forward to a "New Day" in which co-operation and good will are substituted for boycott and hatred, and sanity will prevail in governmental deliberation.

The Store of Failure

The "New Day" program, it now is quite apparent, was a mongrel. Originated as a means of solving marketing problems for the farmers, it was added to by labor, and altered and guided, if not captured, by socialists. It failed, and the story of its failure is one of government incapacity to direct business enterprises. A collateral story is that of the collapse of the ambition of socialists who sought to convert an entire state. With the passing of the years there has come a new recognition that *only* demagogues seek to capitalize economic problems as political issues and that man-made laws are fragile while economic laws are inexorable.

The Nonpartisan League economic program, to be accomplished through legislation, has been expanded and contracted several times. It has run from proposals for redress of wrongs suffered in the disposition of grain almost to sweeping declarations in favor of public ownership of all agencies of distribution. The economic program specifically included:

A Bank of North Dakota, state-owned, state-operated.

State flour mills and terminal elevators.

Monopolistic state hail insurance.

A state home building association.

State creamery, to prove extortionate profits in this industry.

Virtual single tax on farm lands, exempting structures, improvements and most personal property on farms from taxation.

The period of radical control brought many marked changes in the state's laws. The "New Day" program, however, rose and fell with the experience of the Bank of North Dakota, the Mill and Elevator Association, and the Home Building Association. They were the test of the efficiency of the state in business. If they were successful, state ownership would be proved practical, and if public business could prosper financially and disclose extortionate profits in private industry, the socialists argued, would not complete state socialism follow?

One of the first public business enterprises actually established had no place in the original program.

This enterprise — Home Building Association—was seized upon as a quick means of proving to the people how beneficial was public ownership. The association was started in 1919 when the war had left the country with a building shortage. Homes would be built by the state for working men, costing not more than $5,000 each, payment to be amortized over a 20-year period. The association functioned actively about two years and built 50 homes.

These facts were brought out: Homes were not being built for working men but for state officials and others of means.

Cost was much greater than $5,000 each. The state did not save the homebuilder money—the homes cost 61 per cent. more than estimated cost. The association's program called for an expenditure of $275,000. Although not yet liquidated a loss exceeding $300,000 has been charged to the state.

Politically Controlled

What happened to this program was just what so often happens to public ownership projects. Being a public business, it was politically controlled. An insurance agent was named as manager and a farmer was made his assistant. The minor jobs went to "deserving" Nonpartisans. An imagination fired with the excitement of a political rally could not descend to the careful scrutiny of a balance sheet. The employer knew that a dozen votes properly captured were more potent in gaining promotion than a hundred figures entered on the ledger. Tenure of employment was dependent upon the vagaries of politics.

The manager could not outline a five-year program and hope to withstand attacks of politicians if the surface showing was not at all times satisfactory.

The people of the state, too, discovered that they were helpless as stockholders in a public business. They must elect the general board of directors of the enterprises (control being lodged in an Industrial Commission of three elective officials), but they could not judge this board on business ability alone. The people, as stockholders, must take into account their attitude on taxes, pardons, willingness to enforce the prohibition act and other governmental functions. By one faction the people were told that the enterprise was successful; by the other, that it was a failure. The farmer-voter with the business in which he was a stockholder, was unable to reach a fair conclusion. The men conducting the enterprise, schooled in the ups and downs of politics, knew that their tenure was not for long; so their attitude was to get it "while the getting is good."

The management found itself hampered by the red tape of public business. If the manager saw an opportunity to make a favorable purchase quickly and without advertising for bids he would in time be charged with graft. The very checks and balances, made a part of our government to protect political liberties, were a hopeless handicap in business.

History Ignored

The inability of the people to control their business enterprises as do stockholders in a private business was strikingly illustrated again in the North Dakota mill and elevator experiment. An important issue of the political campaign of 1924 was the conduct of this enterprise. But it was not the only issue. Appointments of the Governor (also chairman of the board of directors of this enterprise), the pardons he voted for, and rates figured in the campaign. After the election there was a difference of opinion as to whether the people-stockholders had directed a complete change in policy in the mill.

The exponents of the "New Day" in North Dakota set out to prove the "outrageous" profits in the milling industry which had been so frequently discussed by political orators. The politicians may not have known—and unfortunately probably did not care to know—that the milling business is one of the most highly competitive business enterprises and that the grain trade has world-wide ramifications.

They ignored the history of this business. They would build a great mill. But what private mill had been great when started? They, perhaps, did not realize that most great milling firms once were grist mills or little more; that they had become great institutions through the energy, foresight and sacrifice of one dynamic brain, devoting a life-time to one business.

After a brief experiment with a tiny mill, the state built a larger mill of 3,000 barrels daily capacity, with elevators to store 2,000,000 bushels of grain. Built by politicians, it cost $3,044,000. Governor Arthur G. Sorlie of North Dakota, is authority for the statement that the mill should be listed at $1,500,000, on the basis of private investment at mills of like capacity.

The manager chosen had been successful in private employment. Immediately he faced the practical problem which exponents of public ownership had ignored. He must have a market immediately, while his private competitors had a market won as their mills grew from small to large institutions. He believed he must start the mill at full capacity and reduce prices to establish his market. His alternative was to start one unit of the mill and pay an immense cost for keeping the other units idle.

The management of the mill came before the people at an election in two years. The manager was not ready—he had outlined a program extending over a period of ten years, expecting his showing at the end of two years to be bad but believing it would be successful if carried to a full conclusion.

He was condemned. He could not make a convincing explanation to a voter unfamiliar with the business. One of the most effective arguments against the management was that four salesmen had met the same day in one town. An explanation was made, but the story was too effective politically to be dropped. A new policy was instituted, but losses continued. The mill opened October 23, 1921. Its losses approximate $1,000,000.

When the mill was established it was to be a fair test of the efficiency of a publicly owned flour mill in competition with privately owned mills. Only a fair test was asked. Yet the mill has never been measured by the standards of private business. Never have taxes been figured in the audit reports of the mill. Moreover it had a monopoly of state institutional business.

Perhaps the most ambitious feature of the "New Day" program was a Bank of North Dakota. This project was accompanied by declarations that if this bank were a success there would be a state bank in every other state in five years. It was the beginning of a vast system of state finance. To date the Bank of North Dakota has conceived no off-spring.

The bank had $2,000,000 capital and $10,000,000 of deposits under a compulsory public deposit law, but like the other public enterprises, immediately passed into political control.

Public money was "re-deposited" in private banks, the state bank being unable to use it. An investigation disclosed that so-called "league" banks —established by members of the Nonpartisan League — were favored in "re-deposits." Many of these banks, launched where there was no necessity for new banks, failed and the state sustained heavy losses

During the period when this state bank had loaned $3,002,680.91 to farmers, a statement of the president of the Federal Reserve Bank of Minneapolis informed the people that the Federal Reserve Bank and private banks of St. Paul and Minneapolis had loaned $31,482,969.52 in North Dakota solely for agricultural purposes.

The Nonpartisan League management continued from the opening of the bank in July, 1919, until after a recall election November 23, 1921. Its paper deficit exceeded $100,000 and the auditors estimated that if liquidation were immediately re-

(Continued on page 15)

ACRES CONDEMNS MUSQUASH HYDRO

Claims Project Dependent on Artificial Storage—Cost Too High

St. JOHN. — The hydro development at Musquash was roundly condemned as a commercial proposition by H. G. Acres, Toronto technical expert, at a very recent hearing of the arbitration proceedings between the Inglewood Pulp & Paper Co. and the New Brunswick Electric Power Commission.

Mr. Acres declared that from his examination of the site of the storage area he had concluded that the project was dependent on artificial storage and that the whole development was one in which the issue had been forced in every direction to obtain a predetermined result.

Mr. Acres told of visiting the Musquash in 1923 after the floods. He found a scheme of development more fully dependent on artificial means than anything which he had ever heard of or seen. He did not find what he would consider an artificial water power. He considered the extent to which conservation had been pursued exceeded safe practice.

The whole development was one in which the issues had been forced in every direction to obtain a predetermined result. The natural head was very low and had to be concentrated artificially.

The witness said that no adequate records had been at hand to show the amount of water obtainable. No one really knew the extent of the Lepreaux and Musquash watersheds, as the Crown Land maps did not show the contours fully, and where the sheds were so small an error of a few square miles would make a serious difference.

THE LOBSTER INDUSTRY

HALIFAX.—The lobster fishing season of 1925 on the Atlantic coast of Canada closed with an increased catch over the previous year of 7,431,000 pounds. The total catch since the commencement of the fishing season was 33,839,000 pounds,

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The Securities Markets

MOVEMENTS OF STOCK MARKETS ARE VERY MIXED

Slump Followed by Recovery, Which is Still Continuing

Market Indicator

	High	Low
20 Industrial Stocks		
Week of Mar. 10	92.5	86.0
Week of Mar. 3	95.1	87.4
Mth. of Mar., 1925	75.6	68.3
9 Bank Stocks		
Week of Mar. 10	$225	$224
Week of Mar. 3	226	225
Mth. of Mar., 1925	208	204
10 Public Utilities		
Week of Mar. 10	95	92
Week of Mar. 3	95	93
Mth. of Mar., 1925	85	81

The market has of late been a very mixed affair. The realizing which came either because of, or in sympathy with, the New York decline assumed quite broad proportions and there were some evidences of the same panicky desire to dispose of holdings which marked the Wall Street debacle. This was particularly brought out in the case of Smelters, which dropped precipitously when shares were thrown on the market in volume. However, this reckless realizing brought its own correction in that it was over-done. Evidently, too, the selling was for short as well as long accounts and when the end of the liquidation was reached there was a quick and sharp upturn which was aided by covering of the bears and much of the previous losses was recovered.

Following this partial recovery there has been a period of very unsettled trading conditions. Market followers are evidently endeavoring to adjust themselves to the situation and, with so many conflicting factors at work, this is no easy matter. The expectation of a secondary decline has not as yet been borne out. In fact, the trend is rather towards further recovery. Opinions conflict as to whether a long period of liquidation is at hand or whether the adjustment has again placed stocks in strong hands preparatory to a general advance. Prices are undoubtedly high—too high in many cases so far as can be judged—but there is no indication as yet of any important changes in the generally prosperous business conditions. Whether these conditions, and the resultant profits to industry, have been discounted with too much optimism can only be decided by the future trend of prices.

Under all these conditions the Canadian markets have performed very well. The speculative fever had undoubtedly carried prices of a number of stocks to unwarranted levels. The adjustment should have the effect of restoring a more healthy situation where the market will be again able to function in correctly discounting the future trend of business. The following summary indicates the trend of prices of the active stocks on the Canadian markets:

	Gains	Loss	Unch.	Total
Banks	..	8	1	9
Paper	..	10	2	12
Steel	7	5	2	14
Foodstuffs	4	21	5	30
Utilities	6	8	5	19
Tractions	3	6	2	11
Textiles	3	4	4	11
Industrials	13	14	4	31
Totals	36	76	25	137

Adjusting Prices

Generally speaking the week has been one of adjustment of prices. Declines were general but in many cases the recovery was rapid and in a number of stocks the net effect over the week is a gain. The following summary indicates the trend of changes in various groups:

	End of Dec.	End of Jan.	End of Feb.	Mar. 10
Abitibi	75¼	83	79½	79
Brompton Pulp	28⅝	30	33¼	34½
Laurentide	87	88	89½	89½
Price Bros.	58	62	65	65
H. Smith Paper	42	51½	48	47
Span. River	105¾	106½	105	105
Wayagamack	75	80	74½	68
Steel of Can.	98	97	101½	102
Atlantic Sugar	33	29¼	26½	25¼
B. C. Fishing	60½	59¼	75¼	69
Can. Canners	14	13½	13½	13
Lake of Woods	172	175	171	166
Ogilvie Flour	175	193½	199	190
Bell Telephone	140	140	139	138½
Consumers' Gas	174	179	183½	182
Montreal L. H. Cons.	216	218	221¾	212¼
Quebec Power	112¼	121	122	123

C. P. Rly.	149	151¼	156	155
Can. Steamships	11	11½	14	17½
Barcelona	29	28	29	26½
Brazilian	83	89¾	95½	92
Duluth-Superior	31	29⅛	30	...
Twin City	79¼	75¾	75⅞	76⅞
Winnipeg Elec.	49	53	52	51⅞
Asbestos	92½	92	88½	88½
Burt, F. N.	63	65¼	61½	...
Canada Cement	102⅝	105	109½	110¾
Can. Indust. Alcohol.	17	17	17½	17⅞
Crow's Nest Coal	51	66	68	70
Dom. Glass	86½	92½	94	104
Lyall Construction	21	25½	39⅞	42
Nat. Breweries	59	59¾	63½	61½
Wm Rogers	48	57	63	59

Stocks in the paper group have acted in a very satisfactory manner during the past week. The majority have recovered to approximately the level prevailing at last report, after suffering considerable contraction in some cases in the interval, but in the case of the speculative favorites prices are still considerably below the high for the present year. Abitibi at 78 shows no net change although sales were made as low as 72; the high for the year has been 88½. Brompton dipped to 28½, losing three points and then recovered sharply, registering a substantial net gain. Laurentide also sold off and then recovered for a net gain. Price Brothers and Howard Smith showed less fluctuation and some net loss. Spanish went higher on its recovery. Wayagamack went down five points and recovered most of this.

Steel of Canada has been closely followed not only as a leader of the steel group but as a barometer indicating the general trend of the market. It sold off fractionally below 100 but recovered to 102, which compares with a high for the year of 106½. Ontario Steel lost a couple of points, showing less tendency to recover. Besco stocks were off fractionally. Canadian Car was steady and made a fractional gain. Locomotive gained a couple of points to 40, its high for the year. Dominion Bridge declined a couple of points and then came back for a net gain.

In the milling section of the foodstuffs' group Maple Leaf did some violent fluctuating. Selling down from 77 it touched 65 and then sold up to 70, which compares with a high for the year of 88. Lake of the Woods and Ogilvie were somewhat easier but Western Canada and St. Lawrence held very steady. The latter is off 10 points from the best of the year, however. Atlantic Sugar dipped and recovered for a gain. B.C. Fishing held fairly steady around 70 and was not affected by the market movements to the extent to which might have been expected in view of the advance it has made in recent months. Canada Bread, Bakeries, Canners, and Davies held comparatively steady. City Dairy and Pure Gold sold off, the former losing three points and the latter two.

Tested utilities like Bell Telephone, Mackay, Laurentide, and Consumers' Gas were not greatly affected by the market movements, but Montreal Power and Shawinigan in which there has been considerable speculation felt the effects of heavy realizing. Quebec, Ottawa and Southern Canada Power companies held comparatively steady. In the traction group Brazilian was the active feature with a decline of about 7 points and a recovery of about the same amount. Twin City sold off but the announcement of the definite dividend basis helped a recovery which ended in a net gain. Winnipeg Electric gained a couple of points after its dip in common with the group. Montreal Tramways lost five points. Other changes were not important.

The textile stocks held comparatively steady. Dominion Textile showed very little change. Converters sold somewhat lower but Canadian Cottons did better. Penmans went down to 175 but recovered to 183 for a substantial net gain.

Losses and gains were about equally divided in the group of general industrials. Asbestos Corporation came back to 87 after touching as low as 80. F. N. Burt lost a couple of points. Cement was strong on the recovery and made a net gain. Dominion Glass was in strong demand and gained about 10 points from 94, the greater portion of the advance being retained. Kelvinator shares made their appearance in the trading, the preferred at 92 and the common at 15-16. Lyall was strong making a high of 46 and holding most of the advance. Wm. Rogers sold down from 62 to 59.

The bank stocks as a whole sold lower. The changes were not very important, particularly in relation to the recent advances and in most cases prices are still above the low of the present year.

ABITIBI COMPANY WORKING CAPITAL POSITION BETTER

Gross and Net Earnings During Year Show But Little Change

From Our Own Correspondent.

MONTREAL.—The annual report of the Abitibi Power and Paper Company for the year ending December 31, 1925, reveals a fractional decrease in the gross and a minor increase in the net profits.

After the deduction of all charges and dividends there remained the sum $1,799,916, which was carried into profit and loss account. From the latter was deducted the sum of $1,521,461 which was transferred to a special depreciation reserve. The size of the figure remaining after payment of dividends is especially significant due to the lower prevailing prices of newsprint. Abitibi produces some 150,000 tons of newsprint annually which at $5 a ton less would lower the company's revenues by $750,000. However, it will be seen from the income account that the present lower prices will have little effect on its ability to considerably more than earn its dividend requirements in the future.

Changes in the balance sheet include an increase in both property and investment account due to the acquisition during the year of the new power plant and other expenditures. The inventory account is down by some $500,000 and stands at $1,681,304. The funded debt shows a drop of almost $700,000. Other changes in the balance sheet resulted in an improvement in the working capital position. The latter now stands at $3,591,141, as compared with $2,634,927 in 1924.

The income account over the past three years compares as follows:

	1925	1924	1923
Receipts	$10,364,677	$10,686,859	$11,047,667
Expenses	6,124,340	6,301,306	6,768,088
Net Earnings	4,240,337	4,385,552	4,279,579
Interest	611,421	762,260	882,624
Deprec'n., etc.	539,000	625,505	930,186
Taxes	220,000	190,000	....
Balance	2,869,916	2,807,787	2,466,768
Pfd. Dividend	70,000	70,000	70,000
Com. divid.	1,000,000	1,000,000	1,000,000
Balance	1,789,916	1,737,786	1,396,768
Prev. balance	6,705,651	6,204,007	4,807,238
Balance	8,505,567	7,914,794	6,204,007
Special Res.	1,521,461	1,236,144	....
P. & L. bal.	$6,984,106	$6,705,650	$6,204,007

The remarks of the president, Alexander Smith, follow in part:

"Operations for the year produced net earnings of $4,240,337.24, before providing for interest, income tax and reserves. Net profits, after all charges and reserves, were $2,869,916, out of which $70,000 was paid in preferred stock dividends and $1,000,000 in common stock dividends. Surplus for the year was $1,799,916.50, and the total earned surplus at December 31st, 1925, after usual current reserves as shown in the attached statement and after transferring from surplus account to depreciation reserve an additional amount of $1,521,461.12 was $6,984,105.98.

"Fixed assets were increased by the expenditure of $1,004,003.13 on the company's mills, railroad, townsite and new power plant. $688,300 of the company's bonds were paid and cancelled. Current payables were reduced to the lowest practicable point, and total surplus and reserves were increased $2,430,296.11.

"Production was increased an average of 12.3 tons per day over the performance in 1924 and an average of 37 tons per day over the performance of the same machines in 1923, a showing which reflects credit on the efficiency of the company's manufacturing organization."

Dominion Glass Company May Have an Agreement

From Our Own Correspondent.

MONTREAL. — There were many rumors in circulation to account for the strength of the Dominion Glass Company's stock this week. It was said that the company would merge with the Consumers' Glass Company, which has been giving the former keen competition of late. However, there appears as yet no real basis upon which such a rumor might be founded.

The more probable solution would be that the Dominion Glass has entered into some working agreement with Consumers, or some of its other competitors.

Fred G. Johnston, president of the Toronto Bond Exchange, Ltd., has been elected a member of the Montreal mining exchange.

STOCK MARKET OPPORTUNITIES

The recent decline in the local market has brought a number of stocks down to attractive levels. We have on hand special bulletins dealing with the following Companies:—

Asbestos Corp.
Brazilian
Brompton
Can. Pacific
Can. Steamships
Shawinigan
Spanish River
Steel of Canada
Winnipeg Electric

We shall be glad to supply on request, any or all of the above-mentioned bulletins.

McCuaig Bros. & Co.
Members Montreal Stock Exchange
190 St. James Street, Montreal.

Smelters Suffers From The Lack of Publicity

MONTREAL.—Another voice has been raised to plead for some real information on the activities of the Consolidated Mining and Smelting Co. This time it is Gordon Taylor, a member of the Toronto Stock Exchange. In a letter to the press he points out that the management can not escape part of the responsibility for the recent wide and wild fluctuations of the stock which resulted in the loss of immense sums of money by investors. The letter says in part:

"We have no doubt that the president of the Consolidated Mining and Smelting Co. can safely say that he has issued enough comments on the Smelters, and that the Canadian Pacific Railway who apparently own control, can sit back and say that they are not interested in making the markets in these shares, but they cannot sidestep a certain amount of responsibility.

"In a statement issued by the directors of Smelters at the end of last year they gave 11 months' production and one month's estimate of production, but no statement as to operating costs. These figures conveyed nothing but a medium to grow rumor on.

"The Consolidated Smelting knows that they could be made to furnish quarterly statements to the New York Stock Exchange, if Smelters were listed there, and they cannot evade, in my opinion, the responsibility of the secrecy and mystery with which this stock has been surrounded as to its earnings. A statement of monthly or quarterly earnings given to the public would furnish definite facts on which the public could form its own judgment, and would have prevented the kaffir circus we have seen in these shares in the past few days."

Besco is Rolling Rails on New Zealand Order

SYDNEY.—The Besco rail mill, which has been working until recently on C. N. R. standard orders, has adjusted its rolls to the requirements of the New Zealand railways, and is now engaged in rolling the last 7,000 tons of a 10,000-ton order for the Antipodes, which will keep the plant on single shift until the middle of April. There are rumors of further rail orders booked, but nothing official can be obtained at Besco headquarters here at present, apart from the statement that as the steel business is reported on the upgrade in the States, it is expected that the movement may be reflected in better times generally at the Sydney plant.

Besco Makes New Iron Ore Deal With Newfoundland

Newfoundland is revamping its contract with the British Empire Steel Corporation, which allows the latter to mine iron ore at Belle Isle. The terms have not as yet been made public, but it is understood that the contract will be a long one, extending a preference in the matter of export duty to places within the British Empire. Whether or not there will be any change in the royalty which Besco will pay to Newfoundland is not as yet known.

GOVERNMENT
MUNICIPAL
HYDRO-ELECTRIC
BONDS

NESBITT, THOMSON & COMPANY LIMITED
305-7 BANK OF HAMILTON BLDG. - TORONTO
MONTREAL HAMILTON LONDON, ONT.

STOBIE, FORLONG & CO.
STOCKS BONDS GRAIN
Second Floor, Reford Building
BAY AND WELLINGTON STREETS
Toronto
Private Wire System
HAMILTON BRANTFORD KITCHENER OSHAWA
Montreal
141 Notre Dame Street, West

Safe, Sound, Seasoned Securities

	Rate	Due	Price	Yield
Winnipeg Electric Guaranteed	5%	1938	91.50	6.05%
St. Lawrence Paper Co.	6%	1946	98.50	6.12%
Viau Biscuit Corporation	6½%	1946	99	6.60%
New Brunswick Power	5%	1937	88	6.85%
International Power	7%	1936	100	7.00%
Wolthausen Hat Corporation	7%	1943	100	7.00%
Kingdom of Italy	7%	1951	94.50	7.48%
Wuerttemberg Hydro Electric	7%	1956	93	7.60%

TERMS—CASH or MONTHLY PAYMENTS

H. B. ROBINSON & CO. LIMITED
Investment Bankers
35 King St. West, Toronto ELGIN 1224 — 260 St. James Street, Montreal MAIN 8542

Western Assurance Company
INCORPORATED A.D. 1851

Fire, Marine, Riots, Strikes, Civil Commotion, Explosion, Automobile, Burglary, Guarantee, Accident, Sickness, Liability and Plate Glass Insurance

JANUARY 1st, 1926

ASSETS		LIABILITIES		
Government Bonds	$1,714,470.50	Balances due other Companies	$ 399,161.32	
City Bonds	644,506.86	Losses under adjustment	1,227,433.58	
Railroad Bonds	293,880.00	Sundry Items	36,837.13	
Corporation Bonds	1,308,110.77			$ 1,663,432.03
Stocks and Mortgages	563,614.36	SPECIAL RESERVES		
Real Estate	200,289.99	For Taxes	$ 125,000.00	
Bills Receivable	4,008.00	For Expenses and Contingencies	242,000.00	
Accrued Interest	61,029.54	For Possible Unreported Losses	100,000.00	
Balances due from other Companies	279,639.94			$ 467,000.00
Cash in Banks and on hand	993,811.02	SECURITY TO POLICYHOLDERS		
Agents Balances	838,652.85	Unearned Premium Reserve (on Canadian Government Basis)	$2,694,633.59	
		Surplus to Policyholders	2,076,948.21	
				$ 4,771,581.80
	$6,902,013.83			$6,902,013.83

LOSSES PAID SINCE ORGANIZATION OF THE COMPANY IN 1851 ....$94,689,783.51

CAPITAL STOCK		
	Authorized	$5,000,000.00
	Subscribed	2,500,000.00
	Paid Up	2,500,000.00

Board of Directors

WILFRID M. COX, *President of the Company.*

SIR JOHN AIRD, *President, Canadian Bank of Commerce;* COL. HENRY BROCK, *Director, The W. R. Brock Co., Ltd.;* ROBERT BICKERDIKE, *Montreal, Director, Canada Life Assurance Company;* ALFRED COOPER, *London, Eng.;* H. C. COX, *President, Canada Life Assurance Co.;* D. B. HANNA, *President, Western Canada Flour Mills Co. Ltd.;* MILLER LASH, K.C., *Barrister, of Messrs. Blake, Lash, Anglin & Cassels;* T. G. MCCONKEY, *General Manager, Canada Life Assurance Co.;* GEO. A. MORROW, *President, Imperial Life Assurance Co.;* MAJ.-GEN. SIR HENRY PELLATT, *C.V.O., of Messrs. Pellatt & Pellatt, Stock Brokers;* W. D. ROBB, *Vice-President, Canadian National Railways;* E. WILLANS, *Managing Director, Imperial Guarantee & Accident Insurance Co.;* E. R. WOOD, *President, Central Canada Loan and Savings Co.*

Officers

WILFRID M. COX, *President and General Manager;*
GEO. A. MORROW *and* HERBERT C. COX, *Vice-Presidents;* C. S. WAINWRIGHT, *Assistant General Manager;* G. STUBINGTON, *Secretary.*

Board at London, England

ALFRED COOPER, *Chairman;* RT. HON. LORD CABLE; SIR CHARLES JOHNSTON, BART.; BERNARD A. WHITE

British and Foreign Offices: 14 Cornhill, London, E.C.
W. A. MILES, *Manager.*

Head Office, 22 Wellington Street East, Toronto

Textiles

CANADIAN COTTONS HAS COMPLETED ELECTRIC PLANT

Earnings For Present Year Will Show Betterment—Rayon Helps Cotton Sales

From Our Own Correspondent.

MONTREAL.—The Canadian Cottons has just completed an auxiliary steam electric plant at its mill in Milltown, N. B. This plant is normally supplied with power from its own hydro electric plant on the St. Croix River, but in the past, low water in summer or the freezing of the river in the winter months has sometimes necessitated temporary shutdowns. With the completion of the new steam plant, such delays in mill operation will be obviated.

The fiscal year of Canadian Cottons ends with the close of the present month. Earnings for this year will show a decided improvement over 1925. Earnings during the first three quarters of the present fiscal year show a betterment from the corresponding period of 1924 and results to date during the present quarter indicate that the betterment in the cotton business, which has been experienced in the past twelve months will be continued in 1926.

Rayon Increases Earnings

The cotton industry as a whole has experienced better business during the past year; naturally Canadian Cottons has benefited also, but the amazing growth and popularity of rayon has been not a small contributing factor in the improvement felt by the company. Canadian Cottons specializes in yarn dyed weaves, and the introduction of a proportion of rayon into these weaves has increased the popularity of many cotton lines.

The company sells largely to the wholesale trade which in turn distributes the cottons to the retailers. Retailers are finding a better market for certain special cotton lines such as material suitable for women's dresses—due to the present simplicity of styles, more and more women are purchasing piece goods from which to make dress goods. However, there are many of the old staple lines of cotton goods which still are not selling through the retailer as well as some years ago. For these slower moving lines, the cotton companies are finding a wider market with the markers-up, who use the staple piece goods as their raw material from which to manufacture shirtings and other lines which thus can eventually be sold to the consumer as a finished article.

Many Nations Raise Tariff on Textiles

In a law, effective as from January 1, 1926, Denmark has made alterations in its customs tariff with a view to improving the position of its textile industry. Among other protective changes, the Danish customs authorities are now instructed to admit machinery and parts for working textile materials and textile goods free of duty, when they are imported for the use of industrial establishments, and on proof that the machines of the kind in question are not manufactured in Denmark.

Increases in the rates of duty on wool and wool textiles imported into Japan have been introduced into the Diet by the Japanese minister of finance, and will be put into force without delay after their passage through the Diet.

Tops and carded wool which has hitherto been free will carry a specific duty of 14 yen 50 sen per 100 kin; the specific duties on yarns are increased by over 80 per cent.; cloth of wool weighing not more than 200 grammes per square metre, not more than 500 grammes per square metre, and other wool cloths, will have the specific duties increased by about 50 per cent.; and wool and cotton cloth weighing not more than 500 grammes per square metre will have the specific duties increased by about 40 per cent.

The Latavian government have decided to revise their customs duties and a completely revised tariff with duties generally higher than those at present in force will be put into force in the next few months.

Kelvinator Stocks Sell At Advanced Figures

The newly issued shares of the Kelvinator Company of Canada, were traded on the Toronto Stock Exchange this week. A few weeks ago an offering of preferred stock at par with a bonus of one share of common stock for each preferred was over-subscribed several times. When the stock appeared on the exchange the preferred sold at 92 and the common at 15, the preferred advancing to 93 and the common to 16 and better. This indicates a premium of about 10 points on the issue price.

Upward Trend Industrial in Future Steel Prices

Business continues to expand to the advantage of the metal markets. While this improvement has not yet become sufficiently important to cause any general gain in prices, a definite upward trend is indicated, says Canadian Machinery.

The issuance of large orders for equipment firms by railroads, pulp and paper mills and power companies, together with announcement of a fairly heavy industrial construction program, has benefited many industries, and finally the effect is being felt by the source of supplies, the producers and jobbers of iron and steel.

More earnest efforts to bolster up prices on steel which generally are unsatisfactory to producers have followed the preliminary steps taken in this direction undertaken a week ago in the United States, and Canadian consumers are closely following the movement in an endeavor to gauge its probable effect on their own source of raw materials. Sellers in the Dominion doubt that Canadian prices will be affected to any great extent, dependent, of course, on the degree of attention paid by American mills to prices on export business.

Montreal and eastern rolling mills have announced an advance in prices on mild steel bars and angles. This is the first upward move in iron and steel products since the turn of the year, despite the fact that business has been uniformly good, and in many cases better than last year.

PARAMOUNT RUBBER CLOSES CONTRACT

Will Mean Increased Sales—Plant's Output Increased to Capacity

From Our Own Correspondent.

MONTREAL. — The Paramount International Rubber Company has rented some 20,000 square feet of floor space, and closed a contract for the supply of some of its production to the American Wringer Company. It will be recalled that the latter organization, largely through the efforts of the Southern Canada Power Company, recently decided to locate its plant at Farnham, P.Q. It is a subsidiary of the U. S. company of the same name and will commence its Canadian operations with the manufacture of rubber rolls which are largely used in the pulp and paper industry.

Next week the Dominion Bridge Company is to commence the structural work necessary in the new industry's plant, and before the turn of the half year, it should enter full production. Later the company intends to manufacture the small wringers used for domestic purposes.

The closing of the contract with the new company means much to Paramount International Rubber, which thus finds a wider market for its products. During the past six weeks the company's output has increased by 100 per cent. and at the present time the plant is in full operation, 24 hours a day. The company's sales have mounted steadily and additional machinery is being installed to take care of the increased demand.

Bondholders' Position Stronger

The position of the bondholders in the company has been strengthened due to the increased output; bond interest and other fixed charges are being met by one contract alone which the company has with the Eastern Rubber Company. This is another concern which leases floor space and purchases some of its raw materials from Paramount.

The position of the Paramount bondholders has also been improved through the wider diversification of its sales which will now be divided in to three main portions; its own output of rubber toys and rubber specialties, its sales to the American Wringer Company and its sales to the Eastern Rubber Company.

The Paramount International Rubber has at present orders on its books sufficient for three months operation —in addition efforts to enter the export field are being made and there seems no doubt that these will be successful in the countries with which the Dominion has trade agreements.

The bonds were originally sold at par, plus a bonus of common stock; at present the bonds alone are changing hands at around par. The present expansion in the business indicates that during the ensuing year, earnings will be sufficient to meet all requirements and in addition leave a surplus applicable to the common stock.

Stock Market Record

WEEK ENDING MARCH 9.

	Div. Rate	Yield Mar. 8	High for wk.	Low for wk.	Close Mar. 9	Close Mar. 2	Sales wk.	Range, 1926 High	Range, 1926 Low
Banks—									
Commerce	12+1	5.85	223	221	221½	223½	119	226	221
Dominion	12+1	5.98	217	217	217	217	99	219	215¼
Can. Nationale	10	6.25	161	159¼	160	161	79	170	159½
Imperial	12+1	6.13	213	210	211	213	45	215⅛	210
Montreal	12+2	5.37	261	259	259	260½	213	263	258½
Nova Scotia	16	5.50	290	290	290	290	5	290	281
Royal	12+2	5.53	253	250	253	253½	212	255⅛	248½
Standard	12	6.02	199½	199½	199½	199½	36	200	198
Toronto	12	5.55	216	216	216	220	1	222	213
Paper—									
Abitibi, com. (no par)	4	5.21	78	72	78	78	7550	85½	71¼
Do., pref.	7	6.36	..	...	...	...	...	116	109¾
Belgo-Can., com.	6	6.00	..	...	...	...	...	100	100
Do., pref.	7	7.03	100	98	98	100½	121	101	95¾
Brompton (no par)	.	....	33¼	28½	33¼	31⅝	5757	35⅛	26
Laurentide	6	6.78	91	86½	89	88	3733	93½	84¾
Price Bros., com.	2	3.10	64½	62	64½	65	350	72	57
Do., pref.	6½	6.53	99¾	99½	99½	99¾	125	100	95½
Prov. Paper, com.	6+1	6.79	103	103	103	103	25	104	100
Do., pref.	7	6.93	..	...	...	...	...	104½	100
Smith, Howard, com.	.	....	45½	44	45	46	510	54½	38
Do., pref.	8	8.16	98	98	98	99½	80	101	92¾
Span. River, com.	7	6.78	103½	99	103½	102½	2960	108	99
Do., pref.	7	6.02	117	116	116¼	117½	546	119	114¼
St. Maurice Paper	6	....	..	...	...	...	...	106	104½
Wayagamack	.	....	68	65	68	70	245	83	65
Steel and Steel Industries—									
B. E. Steel, com.	.	....	2¼	2	2¼	2⅛	505	3⅛	2
Do., 1st pref.	.	....	26	25	25	26	287	30	25
Do., 2nd pref.	.	....	7⅛	6⅛	7	7⅛	2652	10¾	6⅞
Can. Car & Found., com.	.	....	44	43	44	43¾	120	49	33
Do., pref.	7	8.43	84	82	84	83	445	85½	73
Can. Foundries, pref.	.	....	..	...	...	...	...	50	41½
Can. G. Elec., com. (par $50)		....	..	...	...	...	...	51	51
Do., pref. (par $50)	7	5.88	59½	58	59½	59	79	60	57
Can. Locomotive, com.	.	....	40	40	40	38	25	40	35
Do., pref.	7	8.18	89½	85½	87	87	155	89½	73
Canada Iron, com.	.	....	..	...	...	...	...	10	10
Do., pref.	.	....	..	...	...	...	...	42	40
Dominion Coal	.	....	..	...	...	...	...	43½	40½
Dominion Iron, pref.	.	....	..	...	...	...	...	24	20
Dominion Bridge	4	4.16	96	93	96	95	1005	99½	80
Dom. Radiator, pref.	7	6.76	..	...	...	...	...	103½	103
Dom. Steel Corp., pfd.	.	....	24	24	24	24	20	24	24
Ford Motor	10	....	..	...	...	...	...	622	622
Ont. Steel, com.	4	5.40	74½	72	72	74¾	91	76	70
Do., pref.	7	7.00	..	...	...	...	...	101	100
Russell Motor, com.	.	....	..	...	...	...	...	40	39
Do., pref.	7	7.91	88½	88½	88½	88¾	10	90	82
Steel of Canada, com.	7	6.93	102¾	99¾	102	101	2276	106½	95⅛
Do., pref.	7	5.98	117½	115½	117	117	54	117½	114
Milling and Foodstuffs—									
Atlantic Sugar, (Rts.)	.	....	.50	.09	.10	.40	3095	2	.09
Atlantic Sugar, com.	.	....	26	23¾	26	25	2077	32⅞	23¾
Do., pref.	.	....	80	80	80	80½	90	88	80
B. C. Fishing	5	....	73½	67	69½	71	4564	75¼	57¼
Canada Bread, com. (no par)		....	58	56	57	57⅛	102	61	56
Do., pref. (A)	7	6.48	108⅛	108	108⅛	109	31	110	106
Do., pref. (B)	7	7.14	98	97	98	98	63	98	96¼
Can. Canners, com.	.	....	13⅝	12¾	13	13⅝	41	15	12¾
Do., pref.	.	....	63	60	61½	64	1804	67¾	60
Canadian Salt	8	5.63	142	140	142	141½	29	145	131
Christie Brown, com. (no par)		....	..	...	...	...	...	63	62½
Can. Bakeries, com. (no par)		....	30	29	29	30⅛	45	36	29
Do., pref.	7	7.52	95	93	93	95	83	97½	93
City Dairy, com. (par $25)	12	4.16	73	72	72	75	199	81	72
Do., pref.	7	6.42	109	109	109	110	4	112	107
Cuban Can. Sugar, com.	.	....	5	3½	5	4	135	5	3½
Do., pref.	.	....	28	23½	23½	28	150	28	23½
Dom. Stores, com. (no par)	1.00	...	35½	65	65	67	10	68	65
Do., pref.	8	6.95	..	...	...	...	...	116	106
Wm. Davies (A) (no par)	.	....	35½	34	34⅛	34	95	37¼	34
Wm. Davies (B) (no par)	.	....	..	...	...	...	...	10	10
Inter. Milling, pref.	7	6.91	103	101¼	102½	102¾	61	105¼	101¼
Lake of Woods, com.	12	7.27	165	165	165	167	80	175	165
Do., pref.	7	5.98	..	...	...	...	...	117	116
Maple Leaf Mill, com.	.	....	75	65	70	77	180	88	65
Do., pref.	7	7.00	100	98½	100	97	.25	102	96
Oglivie Flour, com.	5	2.60	192	190	192	194	95	200	175
Do., pref.	7	5.60	125	125	125	124	30	125	123½
Pure Gold Mfg. (no par)	50c	....	22	20	20	22	100	23½	20
Shredded Wheat	10	5.00	200	200	200	200	3	218	169½
St. Law. Flour, com.	.	....	35	35	35	35	20	45	35
Do., pref.	7	....	..	...	...	...	...	84	82¼
West Can. Flour	8	6.95	115	115	115	115	25	115½	114
Western Grocers, com.	.	....	8	5	6	5	109	13¼	5
Do., pref.	.	....	56	54½	55	56	120	64	49½
Utilities—									
Bell Telephone	8	5.75	139	138	138½	138¾	506	141	138
Consumers Gas	10	5.49	183⅞	182	182	183½	73	183⅞	174½
Inter. Utilities (A) (no par)	87½c	....	35	35	35	35½	23	38½	35
Do., (B) (no par)	.	....	..	...	...	...	...	9¼	7½
Jamaica Pub. Ser. pref.	7	7.10	98½	97½	98½	98½	97	98½	97½
Laurentide Power	5	4.71	106	105	106	105	40	110	105
Mackay, com.	7	5.26	134	132	133	134½	201	138½	133
Do., pref.	4	5.63	71	70½	70¾	71½	219	73½	70½
Mexican Light, com.	.	....	..	...	...	...	...	30	29½
Do., pref.	.	....	..	...	...	...	...	64	64
Mont. L. H. & Pr. Cons.	8	3.73	217¼	209	214	219	17629	227	209
Montreal Teleg. (par $40)	8	6.40	..	...	...	...	...	51½	49
Ottawa L. H. & Pr. com.	6	6.06	100	100	100	99	55	100	97½
Do., pref.	6½	6.19	105	105	105	105	5	105¼	102
Quebec Power, com.	5	4.03	122	120	122	122	790	124	113
Do., pref.	7	6.30	111	111	111	112	50	116	109½
Shawinigan	8	4.40	181½	176	181	186	2063	191	167½
South. Can. Pr. com.	2.00	2.24	89	86½	89	89	140	90½	83
Do., pref.	6	5.94	101	101	101	101	1	101	100
Ottawa & Hull Pr. (no par)	....	....	26	25	25	25	75	26	25
Transportations—									
Can. Pacific Rly.	10	6.45	156	151	155	153	319	163	147
Can. Steamships, com.	.	....	18	14⅝	17½	15	2197	18	11
Do., pref.	.	....	68¾	60½	68¾	63¼	14287	68¾	56
Do., (Noting)	.	....	16	14	16	14	275	16	11
Tractions—									
Barcelona (par $50)	.	....	27	26½	26½	27	660	29	26½
Brazilian, com.	5	5.43	94	85⅛	92	91½	74128	98½	80
Do., pref.	6	6.04	100	99	99½	102½	78	102½	97½
Detroit Un. Rly.	.	....	3	3	3	3	75	3½	3
Duluth-Superior	.	....	29	29	29	30	80	31½	29
Illinois Trac., pref.	6	....	..	...	...	...	...	96¼	96¼
Montreal Trams.	10	6.06	165	165	165	170	24	178	165
Ottawa Traction	4+1	7.81	..	...	...	...	...	65¾	63
Porto Rico Rlys., com.	.	....	44	44	44	43½	35	46	40
Do., pref.	7	7.77	90	90	90	91	41	91	87
Quebec Rly.	.	....	..	...	...	...	...	26⅝	26⅝
Twin City, com.	5	6.43	78¾	72	77	75½	5827	79½	72
Do., pref.	7	6.79	..	...	...	...	...	103	103
Winnipeg Elec. com.	1	....	52	46½	51¾	49¾	3025	54⅝	46½
Do., pref.	7	7.00	100	99	100	100	31	100½	95
Textiles—									
Can. Conn. Cotton, pref.	4	....	..	...	...	...	...	49	46¾
Can. Converters	7	7.77	92½	90	90	92½	142	94	90
Can. Cotton, com.	8	6.61	122	122	122	121	50	124	121
Do., pref.	6	6.18	..	...	...	...	...	99½	95
Can. Woollens, com.	.	....	..	...	...	...	...	8	7
Do., pref.	.	....	50	50	50	50	.10	50	49½
Dom. Textile, com.	5	5.37	93½	92	93	93½	1786	99⅛	91½
Do., pref.	7	5.78	..	...	...	...	...	122	119
Monarch Knitting, pref.	.	....	..	...	...	...	...	50	45⅛
Montreal Cottons, com.	6	5.88	103	103	103	102	7	105	102
Do., pref.	7	6.11	114	114	114	114½	8	114½	112
Penmans, com.	8	4.41	183	175	183	179	365	190	175
Do., pref.	6	5.79	103½	103½	103½	104	2	104¼	103
Wabasso Cotton	4	6.15	65	65	65	65	15	65	62
General Industrials—									
Amer. Salesb'k, c. (par $20)	4	5.88	68	68	68	67½	1	70	64
Do., pref.	7	7.21	97	96¾	96¾	97⅛	45	97¼	92
Asbestos Corp., com.	6	7.05	87	80	86	81	2053	94½	80
Do., pref.	6	5.40	112	109	110½	113	405	116	109
Brant. Cord. pref. (par $25)	8	7.37	27⅛	26	27	27⅛	539	27½	26
Burt, F. N., com. (par $25)	12	5.04	61½	58½	59½	61½	100¼	67	58½
Canada Cement, com.	6	5.51	110½	105	110½	108½	3007	111½	101¾
Do., pref.	7	5.98	118½	116½	118¼	117	91	120	115½
Cons. Rubber, pref.	7	8.09	..	...	...	...	...	85½	86½
Can. Ind. Alcohol (no par)	1.28	7.21	18	16¾	17⅞	17½	4050	20	16¼
Crow's Nest Coal	6	8.82	70	70	70	68	72	85	51
Dom. Glass, com.	7	6.76	105	94	101¼	94	2434	105	85
Do., pref.	7	6.30	111	111	111	108	5	111	106
East. Theatres, com. (par $25)		....	..	...	...	...	...	25¼	18¾
Do., pref.	7	....	..	...	...	...	...	90	83
Famous Players, com.	.	....	15	15	15	16	5	18½	15
Gilman, com.	6	5.71	..	...	...	...	...	106	104½
Do., pref.	7	6.03	116½	116	116½	115½	50	116½	113½
Goodyear Tire, pref.	7	7.29	97	96	96¾	96	91	97	93½
Holt Renfrew, pref.	7	7.86	89	89	89	85½	100	89	85½
King Edward Hotel	.	....	25	25	25	..	25	25	25
Kelvinator, com. (no par)	.	....	16	15	15	..	420	16	15
Do., pref.	.	....	93	92	92	..	50	93	92
Lyall Construction	.	....	46	38	43¾	39	2511	46	20
Nat. Brew, com. (par $25)	4	6.66	62½	57¼	61⅞	60	19350	69	56
Do., pref.	7	....	..	...	...	...	...	110	106
National Brick, com.	.	....	..	...	...	...	...	12½	12½
Do., pref.	7	....	68	68	68	70	5	72	67½
Pacific Burt, com.	6	6.12	98	98	98	100	12	110	90⅝
Do., pref.	7	6.36	108	108	108	110	25	110	102
Port Hope Sanitary, com.	¾	....	..	...	...	...	...	85	74½
Rogers, Wm., com.	.	....	60	59	59	62	97	67	45
Do., pref.	7	7.33	95⅝	95½	95⅝	95½	30	95⅝	90
Sherwin-William, com.	6	4.59	130½	127	130	130	360	135	127
Do., pref.	7	6.14	114	113	114	114	70	114	110½
Sterling Coal	4	....	42	40½	41	42	65	43	37
Tooke Bros., com.	.	....	..	...	...	...	...	8	8
Do., pref.	.	....	..	...	...	...	...	60	57
Tuckett Tobacco, com.	4	6.45	62	62	62	64	30	65	61¾
Do., pref.	7	6.82	104	102½	104	103	25	104	102
Woods Mfg. com.	.	....	39	38¾	39	39	600	44	38
Do., pref.	7	8.75	80	79¾	80	79¾	115	80	77¾
Do., pref.	8	8.76	92½	91	92	92	223	94¼	91
Trust and Loan—									
Canada Landed (par $50)	10+1	5.55	99	97	99	97¼	85	100	95
Can. Permanent	12	5.82	206	206	206	205	43	206	202½
Central Canada	12	....	..	...	...	...	...	210	210
Colonial Invest. (par $10)	6	...	6½	6½	6½	6½	45	6½	4
Hamilton Prov	10	6.36	..	...	...	...	...	157	157
Huron & Erie	7+½	....	..	...	...	...	...	130	127½
Landed Banking	9	6.16	..	...	...	...	....	...	...
Montreal Loan (par $50)	12+1	6.50	..	...	...	...	...	50	50
National Trust	12	5.00	..	...	...	...	...	240	235
Ontario Loan (par $50)	11	5.28	..	...	...	...	...	105	103½
Real Estate Loan	7	8.23	85	85	85	85	5	85	85
Toronto Gen. Trusts	12	5.38	225	223	223	224	15	225	223
Toronto Mort. (par $50)	10+1	5.78	95	95	95	93½	6	95	93½
Union Trust	7	6.93	..	...	...	...	...	101	101
THE CURB MARKET									
Asbestos com (new)	.	....	20	20	20	20	2	24½	20
Do., pref. (new)	.	....	64¾	64¾	64¾	64	8	70	62
Beacon Oil	.	....	18¼	16¾	18¼	18⅛	615	19½	16¾
Brit. Amer. Oil (par $25)	10	5.00	50	47	49⅞	50	1546	53½	47
Can. Oil com.	1¼	....	70	69	69	68½	60	74	65
Do., pref.	8	8.00	..	...	...	...	...	101	100
Continental Oil	25c	1 01	21½	21½	21½	22¼	2	26	21½
Dryden Power (no par)	.	....	7	7	7	7	15	7¾	6
East. Engineering	.	....	2	2	2	1	210	2	1
Good & Worts	6	2.55	..	...	...	...	...	237	193
Imp. Oil (no par)	1.00	2.87	35	33	35	34¾	2229	38½	33
Inter. Petroleum (no par)	75c	2.34	32½	29¼	31⅝	32¼	2550	35½	29¼
Manitoba Power (no par)	.	....	37	35	36	39	245	42	24
North Star Oil, com. (par $5)		....	..	...	...	...	...	1.05	.95
Do., pref. (par $5)	7	....	..	...	...	...	...	4.75	4.50
Simpsons, pref.	6	5.94	101	101	101	102	2	102	101
Toronto R. S.	.	....	1.30	1.25	1.25	1.30	5.00	1.40	1.10
Volcanic Oil (par $25)	62c	....	28	28	28	28	25	29	27⅞
Cockshutt Plow, pdf.	.	....	..	...	...	...	...	62	62
English Elec. com. (no par)	.	....	21	20	21	18	48	21	15
Do., pref.	.	....	..	...	...	...	...	67	59½
Illinois Power pfd.	.	....	98	98	98	98½	32	98½	96
North Mex. Pr. com.	.	....	49	48½	48¾	49	255	55	48½
Power Corp. (no par)	.	....	25	25	25	25½	405	28¼	24¼
Pressed Metals, com.	.	....	40	40	40	40	4	40	30
St. Law. Pr. (no par)	.	....	42	42	42	42½	130	46½	36
St. Maur. Valley	.	....	53	53	53	53½	10	53½	52½
United Secs. pref.	6	5.76	104	104	104	104	95	104	103

Herbert Tareyton
London Cigarettes
"There's something about them you'll like"
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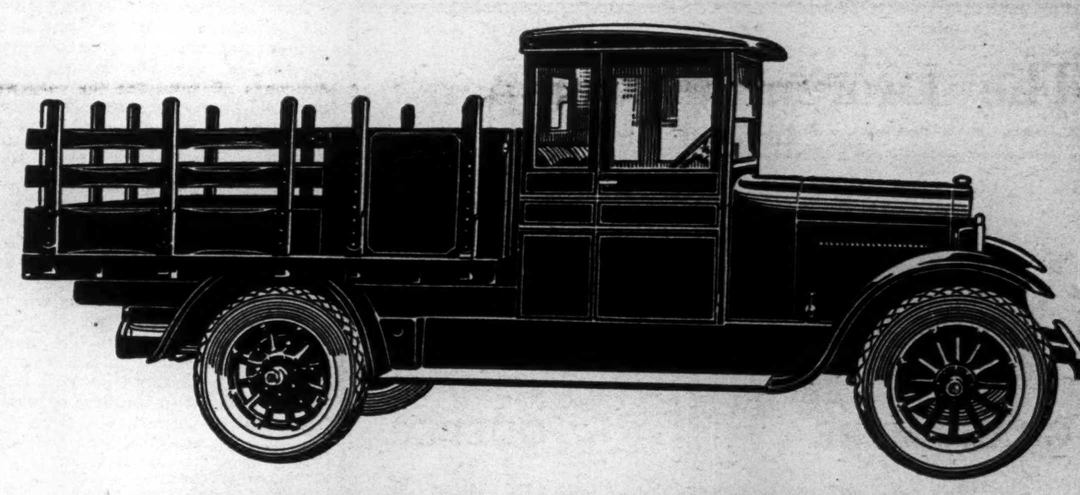
T39
For your Pipe Herbert Tareyton London SMOKING MIXTURE

UNLISTED SECURITIES

	Bid	Asked
Brooks Steamer (1 pf., 2 com.)	4	6½
Can. Machinery, com.	4	7
Can. Machinery, pref.	13	18
Can. Westinghouse, com.	157	165
Cosgrave Brewery	4¾	5½
Dom. Combing (1 pf., 2 com.)	35	..
Dom. Power, pref.	94	97
Farmers Dairy, com.	45	..
Farmers Dairy, pref.	100	105
Gunns, Ltd., pref.	39	41½
Godfredson Truck, com.	24	26
Imperial Tobacco	5¾	6½
King Edward Hotel, Deb. A.	77	79
King Edward Hotel, Deb. B.	56	59
K. & S. Tire, pref.	15	..
Loew's Toronto, com.	25	30
Loew's London, com.	2½	3
Loew's Ottawa, pref.	12	..
Massey-Harris	67	69
Mount Royal Hotel, com.	5	7
Mount Royal Hotel, pref.	40	..
National Grocers, pref., 8%	100	..
Willard's, pref.	69	72
Loblaw Groceterias, com	61	..
Capital Life 25% Paid	22½	25
Continental Life 20% Paid	34	..
Crown Life	120	..
Empire Life	22	..
Excelsior Life 25% Paid	44	..
Great West Life	360	..
Imperial Life	200	..
Monarch Life 10% Paid	19	..
Ont. Equitable	25	28½
Re-Insurance	12	14½
Security Life, 40% Paid	32	35
Sovereign Life, 25% Paid	23	27
Toronto Finance, pref.	4½	6½
Trusts & Guarantee	74	77

QUEBEC POWER CONTRACT

MONTREAL.—It is rumored that the Quebec Power Company will shortly close a contract for the supply of 20,000 horsepower for use in connection with dredging operations to be undertaken in the harbor of Quebec. Such a contract would only call for the supply of power during that portion of the year in which the river is open to navigation.



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World Leadership for Graham Brothers Trucks is more than a phrase.

It is a vital, practical thing that means satisfaction and money to buyers.

It means satisfaction because public demand is based on satisfaction, and the demand for Graham Brothers Trucks is growing greater every day.

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Graham Brothers are the largest exclusive truck manufacturers in the world. By that fact the buyer profits.

He profits by the quality that created the demand—and by the astonishingly low prices that demand made possible.

1-Ton Chassis - - $1350
1½-Ton Chassis - - 1725
MBM Low Chassis - 1795

F. O. B. Toronto, taxes to be added

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TRUCK DIVISION OF DODGE BROTHERS (CANADA) LIMITED

GRAHAM BROTHERS TRUCKS
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The Wisdom of the Ancients is a lesson for to-day

IN STONE, the ancients carved their laws and important documents. Many of those have been handed down unharmed by the elements to this very day.

We ourselves have followed their wise examples. Names we want to endure are engraved indelibly on stone or metal.

Modern business, however, does not permit the use of stone or metal. Bonds, contracts, wills, insurance policies, cheques, prospecti—important documents that are subject to much handling, must be printed on a surface that endures. Cracks and creases that may obliterate a single line might cause confusion, loss, expense or court action.

Herein lies the special adaptability of SUPERFINE LINEN RECORD—Canada's finest all-rag bond paper since 1882. It has a business-like feel and crackle—a surface that does not crack. Especially suited for important documents. Your printer will highly recommend SUPERFINE LINEN RECORD.

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Wood Boards and Newsprint Paper

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We maintain a Technical Service Division which stands ready at all times to co-operate to the best of its ability with the trade.
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CANADA'S MAPLE PRODUCTION

MONTREAL.—In the year 1925 Canada produced 9,791,359 pounds of maple sugar which at an average of 17 cents per pound, had a total value of $1,692,-093, and 1,672,093 gallons of maple syrup which at an average of $2.05 per gallon had a total value of $3,440,286. The total Dominion value of sugar and syrup produced was $5,132,821. The principal contributor, accounting for over 60 per cent. of the total value, was Quebec, which produced 9,549,837 pounds of sugar worth $1,623,472 and 954,984 gallons of syrup, worth $1,709,421.

Pulp and Paper

PT. ALFRED CORP. SELLS ISSUE OF PREFERRED STOCK

Plans for 400 Tons Daily of Newsprint Call for Further $4,000,000 Expenditure

From Our Own Correspondent.

MONTREAL.—Wood, Gundy and Company are offering a further $2,-000,000, 7 per cent., cumulative preferred shares of the Port Alfred Pulp and Paper Corporation. The shares are being sold at $97.50, with a bonus of one-tenth of a share of no par value common stock. The financing is undertaken to provide funds for the company's expansion into the newsprint field. The plant comprises a sulphite mill and a newsprint mill. The equipment in the latter has not yet been completely installed, but it is anticipated that its first 100 ton newsprint machine will be in operation by April of this year and the second 100 ton newsprint machine will be producing paper by July. There is also being installed a fifth sulphite pulp digester; this will produce 50,000 tons of pulp annually.

A third and fourth newsprint machine have been contracted for and, by the end of the year, it is expected that the plant will have a capacity of over 400 tons per day of newsprint and 115 tons of sulphite pulp. The Port Alfred mills are located on tidewater, which permits the loading of ocean vessels during seven months of the year.

The Present Capitalization

Upon the completion of the present financing, the company will have an authorized and outstanding capitalization as follows:

	Authorized	Outstanding Dec. 31, 1925
1st mort. 6½% Sink. Fund Bonds, due 1943 ...	$15,000,000	x$ 5,042,500
6% Serial Notes, maturing $120,000 annually, June 1926-1930	600,000	xx 600,000
7% Cum. Redeemable Pfd. Sh'res (par val. $100)	6,000,000	3,000,000
	—shares—	
Com. Shares (no par value)	60,000	60,000

xIncluding $1,175,000 bonds issued to finance new construction. A further $825,000 bonds will be issued shortly.

xxSecured by $600,000 Income Debentures, the authorized amount of which is $3,000,000.

There is no doubt that at the conclusion of this expansion program, its capitalization per ton of output will compare favorably with most conservatively capitalized newsprint industries in the Dominion.

Earnings on Preferred

Earnings applicable to the preferred stock for the year ending December 31, 1925, were over two and a quarter times the annual dividend requirements of the $3,000,000 preferred shares now outstanding. During this period, the company manufactured only sulphite pulp and was not in receipt of revenues from capital expenditures on the present extension to its mill. Upon the completion of the first two newsprint machines only, it is estimated that the net earnings will be in excess of five times the annual dividend requirements on the preferred shares outstanding at present. This would leave approximately $15 per share on the common stock. Upon the completion of the construction program at the close of the present year, it is expected that the outstanding capitalization will be as follows:

1st mortgage bonds	$8,000,000
Serial notes	480,000
Preferred shares	4,000,000
Common Stock (no par value) ...	60,000 shs.

Assets Behind the Stock

The company owns outright 49,900 acres of timber land and controls under lease 1,472 square miles of timber areas. It also holds a wood contract effective until 1948 with a company which owns outright 400,000 acres of virgin forest. The quantity available on all these areas is estimated to approximate 10,000,000 cords of pulpwood. The company also conserves its own holdings by the purchase of large quantities of pulpwood from contractors and settlers.

Port Alfred has made arrangements for the disposal of its newsprint output with the St. Maurice Sales Corporation, which sells the newsprint of the St. Maurice Valley Corporation, the St. Lawrence Paper Mills and the Beaverboard Company. Some 80 per cent. of its sulphite pulp output has been contracted for during 1926 at prices in advance of those obtained in 1925. The remainder of the 1926 pulp production is being sold on the spot market, where prices are higher than under contract.

Plant's Power Situation

The company holds long-term and favorable contracts for the power required to operate its first two newsprint machines from the Duke-Price power plant. The additional power required for the third and fourth machines is available on equally favorable terms from the same source. Also, negotiations are under way whereby the company will shortly obtain the ownership of two water powers, with a total developed capacity of 2,500 horse power; these powers at present supply the power requirements of the sulphite plant.

The preferred shares are non-voting, except in the case of non-payment of dividends for two years, in which case, the preferred shareholders will have one vote per share. No increase in the authorized amount of the preferred stock shall be made unless three-fourths of the preferred shareholders give their consent.

CANADIAN PULP PRODUCTS CO.

The Canadian Pulp Products Co., capitalized at $100,000, held an organization meeaing in Hamilton recently, when the following officers were elected: President, W. A. N. Woods; vice-president and manager, W. M. Cameron; secretary-treasurer, J. H. Picket; directors, E. F. Clarke and R. E. Gunn.

This company will operate in Toronto, and manufacture various products, using waste paper as raw material.

Pulp & Paper Companies May Pay Higher Wages

From Our Own Correspondent.

MONTREAL.—At the meeting of the pulp and paper makers' unions which opened this week there was a demand from many of the local unions for increased wages. Five cents an hour increase appeared to be the general demand, though in some instances this was only suggested for certain classes of labor.

At the close of the week, the workers at a joint conference will agree as to the demands which will be made of the pulp and paper companies when negotiations are opened leading to the new wage scale for the year commencing May 1, 1926.

BIG EXPANSION IN POWER AND PAPER BY BATHURST CO.

To Spend $5,000,000 in Increasing Output by 200 Tons Daily

From Our Own Correspondent.

MONTREAL.—The Bathurst Co. is to expend some $1,750,000 for storage, dams and additional power units on the Nepisiguit River as soon as the necessary authority to proceed with the project is obtained at the coming session of the provincial legislature.

At the present time the company has a daily production of 50 tons of sulphite pulp, 50 tons of kraft pulp, 80 tons of groundwood and 65 tons of newsprint.

With the additional horsepower, which the company proposes to develop, it will be in a position to complete its expansion plans which call for the erection of a newsprint mill with two machines of 100 tons daily capacity each. This would bring the company's total output of sulphite, sulphate and newsprint up to around 350 tons daily.

The new newsprint mill is to be located immediately adjacent to the present plant. In order to provide groundwood for the manufacture of the additional newsprint, it will be necessary to build a second groundwood mill with a capacity of 200 tons per day. This new groundwood mill will occupy a building 350 feet long by 100 feet wide and plans call for the installation of ten magazine grinders.

A $5,000,000 Program

The total required to finance the company's expansion in the hydro electric and newsprint field will run to some $5,000,000. It is expected that the project will take two years to complete. In the meantime, it is expected that the company will not wait to increase its production until the completion of the new mill, but will install a second newsprint unit in the present mill this year.

The Bathurst Co., since 1907, has been manufacturing spruce lumber, sulphite and sulphate pulp; in 1923 it first entered in the newsprint field. It was the first company in the Maritimes to manufacture newsprint paper, thus at the present time it has the contracts from many of the Maritime newspapers.

The company is situated on deep water with its own docks from which the production is shipped to all parts of the world. The investment interest in the company centres on its two bond issues. It would seem probable that further public participation in the company's securities will be invited in order to complete this expansion program.

Abitibi Common Regarded As Attractive Investment

Regarding the securities of the Abitibi Company, Watt and Watt in their bi-monthly survey, say:

Abitibi Power and Paper Company has been breaking records not only in newsprint production but in reducing operating costs. The plants are working at capacity and the rate of earnings continues high. The rate earned on the common stock in 1924 was eleven dollars and so strong is the market for newsprint that the outlook for 1926 is decidedly bright. It is expected that the company will increase the common dividend, which for some time has been at the rate of $4 per annum and the stock at around 79 is, we consider, one of the most attractive investments among the paper issues.

Spanish River Said to be in Control Manitoba Pulp

From Our Own Correspondent.

MONTREAL.—The appointment of W. N. Hurlbut, of the Spanish River Pulp and Paper Mills, to the presidency of the Manitoba Pulp and Paper Company lends color to the belief that the big Sault Ste. Marie company is now definitely in control of the Manitoba project.

The originator of the Manitoba Pulp and Paper Company, J. D. McArthur, has resigned as president, but continues to be associated with the new enterprise as vice-president. Chicago interests were the first ones to be approached with a view to erecting the Fort Alexander mill.

British American Oil on Ten Per Cent. Basis

The new dividends policy of British-American Oil Co. was inaugurated with this week's declaration of 62½c. for the first quarter. This places the stock on a straight 2½ per cent. quarterly dividend basis. Previously the stock was on an 8 per cent. basis and a 2 per cent. bonus was declared at the end of the year. The stock is now a straight 10 per cent. one. This course was practically taken for granted three months ago, when the directors voted $1 a share for the final quarter, instead of the usual year-end declaration of 50c. plus a bonus of 50c. The company's earnings are satisfactory, and the present dividend rate in all probability will be maintained till circumstances warrant more generous treatment for the shareholders. The stock opened the present year at 50, advanced to 53½, then selling down to 47 and recovering to around 50.

B. C.'S WHALING INDUSTRY

VICTORIA.—During the past twelve years, 7,619 whales have been taken by the British Columbia whaling fleet. The largest yearly catch in the period was 1,198 and the lowest 187. There are now a number of plants established on the island devoted to canning whale meat as well as utilizing bones, etc., in the manufacture of various by-products for which there is a considerable demand.

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MANUFACTURING
ALL LINES OF WHITE AND GREY COTTONS, PRINTS, SHEETINGS, SHIRTINGS, PILLOW COTTONS, LONG CLOTHS, CAMBRICS, DUCKS, BAGS, TWILLS, DRILLS, QUILTS, BUREAU COVERS, TOWELS AND TOWELLING, YARNS, BLANKETS, RUGS, TWINES, NARROW FABRICS
AND NUMEROUS OTHER LINES USED BY MANUFACTURERS IN RUBBER AND OTHER TRADES.
MONTREAL TORONTO WINNIPEG VANCOUVER

The Wabasso Cotton Company, Limited
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Manufacturers of Fine White Cotton, also Spinner's Fine Counts of Yarns

Woods Manufacturing Company, Limited
Jute and Cotton Bags
Hessians, Buckrams
Paddings and Twine
Tents
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Tarpaulins
Clothing and Cotton Fabrics
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Makers of FIVE ROSES FLOUR
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P. Lyall & Sons Construction Company, Limited
Toronto - Montreal - Ottawa

Public Utilities

NORTHERN POWER EARNED 4.25 P.C. ON THE COMMON

Operating Revenues Higher and Expenses Cut Down

After transferring $240,000 of the year's profits to reserves and paying preferred dividends amounting to $142,968, the Northern Ontario Light & Power Company, showed a surplus available for common dividends of $194,922 for the year 1925. This represents approximately 4.25 per cent. on the outstanding common shares. The common dividend paid took $45,322, the remainder being added to the surplus, which was increased from $475,007 to $624,708.

Operating revenues of $1,351,868 compared with $1,295,820 in the previous year. Operating expenses at $535,428 were lower as compared with $567,135 reported for 1924. Following are comparative figures from the profit and loss account:

	1925	1924
Oper. revenues	$1,351,868	$1,295,820
Oper. expenses	535,428	567,135
Oper. income	$ 816,439	$ 728,685
Other income	37,982	31,932
Total income	$ 854,421	$ 760,617
Deductions:		
Int. on bonds	$ 300,390	$ 285,473
Bad accounts, etc.	2,848	7,380
Total	$ 303,238	$ 292,853
Profit for year	$ 551,183	$ 467,763
Surplus forward	475,007	568,603
Pulpwood inventory	26,807	11,060
Total surplus	$1,052,998	$1,047,427
Pref. dividends	142,968	*357,420
Com. dividend	45,322	....
To reserves	240,000	215,000
Total	$ 428,290	$ 572,420
Surplus	$ 624,708	$ 475,007

*This amount includes one and one-half year's arrears of 6 per cent. dividends paid on preferred stock.

President Alex. Fasken states that during the year $165,860 was expended on extensions, additions and improvements to the company's properties, and that the provisions of the trust deed in connection, with the sinking fund were met by the delivery of $175,500 of bonds to the trustee, which were duly cancelled. With the approval of shareholders a new issue of 20-year 6 per cent. first mortgage bonds was created, dated Jan. 1, 1926, in order to refund the outstanding issue maturing April 1, 1931.

The company's water storage at Lake Evelyn and Matawapika Lake has been increased during the year to a total of ten billion cubic feet, by the construction of a concrete dam, according to Mr. Fasken. The company's properties, plants, transmission lines and equipment have been maintained in good operating condition. The demand for power from the Kirkland Lake mines, and from the mines in South Lorrain has shown a satisfactory increase. The pulpwood, required for the operation of the company's pulp mill, has been purchased in the market at advantageous prices, preserving intact the company's reserve timber limits.

The balance sheet shows properties valued at $13,616,375. Cash in banks and on hand stands at $458,725, accounts and interest receivable at $151,911, and inventory of pulpwood and pulp is given at $100,192. Investments amount to $515,265. Accounts and wages payable are given at $55,717. Interest accrued on bonds amounts to $150,195 and $40,000 is reserved for Dominion income taxes. A total of $1,907,356 is reserved for general depreciation, general purposes and extraordinary maintenance and operation.

Shawinigan Described as an Outstanding Investment

In recommending Shawinigan to their clients, Johnston and Ward review the position of the company at length and conclude:

"Strategically—and this probably will prove the most vital element in its great future investment worth—Shawinigan's position is unrivalled among the power companies of the continent. Its relations with the provincial government and the public continue most cordial. Indeed, the government policy of encouragement of power development under careful government regulations constitutes in itself an unusually reliable safeguard to the investor.

"Shawinigan has also strengthened its position with its customers and employees by a recent successful campaign for the distribution of its stock in which 7,677 shares were absorbed.

"One of the outstanding merits of the company's securities is the far-seeing policy adopted of securing control of various undeveloped water powers at advantageous points, guaranteeing an almost invaluable reserve strength for future years.

"We look upon Shawinigan to show considerably increased earning powers henceforth, and to carry out a dividend policy that will reasonably reflect its improved position."

Twin City Now on a 5 Per Cent. Dividend Basis

As the result of Saturday's meeting of the directors of the Twin City Rapid Transit Company, the common stock has been put on a 5 per cent. dividend basis, to be paid quarterly instead of half-yearly. The news that this had been done was not unexpected, although some felt that action might be deferred until the June meeting. The shareholders have had a long wait, and those who purchased their stock from the company at par have quite a way to go before they catch up. It is felt, and not unreasonably, that in view of the circumstances, if the operation of the bus companies which the company has taken over turns out as satisfactorily as is hoped, shareholders will be rewarded by a special disbursement from bus account when conditions warrant.

It appears that the decision to raise the dividend on Twin City common followed the publication of the February results, which were distinctly more favorable than the returns for January, which were disappointing. The January figures for the St. Paul Railway, part of the Twin City, showed only $1,924 more earned than in the same month in 1925. The number of passengers carried was 6,280,000, or 420,000 fewer passengers than was estimated, but the increase in fares made the small gain possible. The decrease in traffic was attributed to mild weather. Operating revenue was $428,263, compared with $425,157 a year ago. Operating expenses increased from $312,414 to $320,874. The reduction of taxes saved the company $6,562. The gross income was $73,191 in 1926, compared with $71,266 in January, 1925.

It is understood that gross and net results in February of both the St. Paul and Minneapolis lines were substantially better than February a year ago, and the outlook is for substantial improvement from now forward. It is believed that in good time the dividend will be further increased to the 6 per cent. rate.

Porto Rico Railways Earnings Are Reduced

The annual statement of the Porto Rico Railways Company for the fiscal year ending December 31, 1925, will be issued shortly, and, according to W. D. Ross, the president, will show net earnings slightly below those of the previous year. This is the second year in succession that the earnings have shown a trend in the direction mentioned, the net in 1924 totalling $110,273, and in 1923 they aggregated $168,816. The lower earnings are due to an unusually dry season, which failed to supply the quota of rain necessary for the continuous operation of the power plants; in the absence of the requisite water, the steam pumps, operated by fuel oil, had to be placed in commission. For this reason there have been rumors that the company was anxious to secure additional franchises for the development of further power rights along the rivers of Porto Rico. But Mr. Ross says that the length to which the company may go in this direction is limited in a manner that would not be the case in a territory more extensive.

Public Utility Earnings

BARCELONA TRACTION

January—	1926 Pesetas	1925 Pesetas	Increase Pesetas
Gross Earn.	8,622,175	7,922,049	700,126
Oper. Expenses	2,588,546	2,301,903	286,640
Net Earn.	6,033,629	5,620,143	413,486

DETROIT UNITED RAILWAY

	11 mos. end. Nov. 30, 1925	12 mos. end. Dec. 31, 1924
Gross rev.	$6,514,693	$7,668,065
Expenses	5,277,343	6,784,226
Net rev.	$1,236,750	$ 883,839
Other Income	663,191	793,938
Gross Income	$1,899,941	$1,677,777
Deductions—		
Accrued taxes	550,000	525,000
Accrued int.	1,082,797	959,716
Net income	$ 267,144	193,061

OTTAWA RIVER CO. ISSUES ITS REPORT

Covers Seven Months of Operations With Revenues of $160,559

From Our Own Correspondent.

MONTREAL.—The first annual report of the Ottawa River Power Company shows a total revenue from power sales of $160,559. This figure was deducted from construction costs, as the carrying charges during the construction and preliminary stages of the company were provided for in the initial financing.

The plant was first placed in operation in May last. Since that date it has been operating successfully delivering power to its customers.

The balance sheet shows total assets of $4,865,653, of which $4,828,843 designate such fixed assets as land, water privileges and power rights, power house, machinery, transmission lines, substations, etc, transmission lines, $33,940, consisting of cash, $5,776; accounts receivable, $23,927, and stores and supplies, $4,235. Prepaid charges are shown at $2,869.

The opposite side of the balance sheet indicates that capital stock consists of 30,000 shares of no-par-value stock carried on the books at $450,000. The company's funded indebtedness consists of $4,000,000 first mortgage 30-year 6½ per cent. gold bonds due 1953, and $250,000 of short term 6½ per cent. notes due July 2, 1927. Current liabilities are shown at $165,653, and are made up as follows: Accounts payable, $64,316; bills payable, $4,415; accrued bond interest, $21,666; loans payable, $75,000; unclaimed wages, $104; and customers' deposits, $150.

The remarks of A. J. Nesbitt, the president, to the shareholders contains the following information regarding the company:

"The development is located on the Ottawa River, near Bryson, fifty miles above the city of Ottawa. Power is generated under a head of sixty feet and is transmitted by a 66,000-volt transmission line to Hull, Que., where it is distributed through your company's terminal station.

"There is at present one unit of 22,500 h.p. capacity installed, although all the permanent works have been completed for the ultimate installation of three units, to bring the capacity of your plant up to 67,500 h.p. The construction was completed in approximately eighteen months, and the following statement of materials used is of interest, viz: 100,000 barrels of cement, 2,000 tons of structural and reinforcing steel, 1,250,000 bricks, 150,000 cubic yards rock excavated.

"The greater part of your company's output is disposed of in Hull, the principal customers being the Ottawa Electric Company, the Hull Electric Company, and the E. B. Eddy Company, Ltd.

"The proper regulation of the Ottawa River is an important factor in the progress of your company. Through the construction of storage dams at Lakes Temiskaming, Kipawa and Quinze, by the Department of Public Works, the ordinary minimum flow of the Ottawa River has been improved, but further regulation is possible and will be of great benefit to all power companies on the Ottawa River, and it is sincerely hoped that the efforts of the authorities in charge of this work will be directed towards a continued improvement in this respect."

Quebec Southern Power Acquires New Customers

From Our Own Correspondent.

MONTREAL.—Quebec Southern Power Corporation has just closed three profitable contracts for the supply of power to three industrials located in its territory which, up to the present, have obtained power from other sources.

At a referendum held at St. Jerome, P. Q., at the beginning of the month, it was decided to dispose of the city's publicly owned electric plant; the Quebec Southern Power Corporation through its subsidiary, the Laurentian Hydro Electric, submitted the best tender for the property. The Shawinigan Water and Power Co. and the Ottawa-Montreal Power Co. also submitted tenders, but that of the Laurentian Hydro Electric proved to be the most satisfactory to the municipal authorities.

The decision to sell the plant to the subsidiary of the Quebec Southern Power is subject to ratification by a by-law which will shortly be submitted to the city council.

DOMINION FINANCIAL EXPANDS

MONTREAL.—The Dominion Financial Corporation has opened a branch office in Ottawa the better to serve its clientele situated in that city and along the Ottawa valley. The office is in charge of E. Lavin Girroir, K. C., who was recently elected to the directorate of the corporation at its recent annual meeting.

FAMOUS PLAYERS OFFER SHARES FOR MANSFIELD STOCK

One Famous Players 1st Pf. Shares Offered For Two Mansfield

From Our Own Correspondent.

MONTREAL.—The Famous Players Canadian Corporation has made an offer to the preferred shareholders of the Mansfield Theatre Company. Should it be accepted, the preferred shareholders of the latter will hand over their stock in exchange for the 8 per cent. first preference shares of the Famous Players Canadian Corporation, on the basis of one of the new for two of the old. The dividend on the preferred shares of the Mansfield Theatre Company is in arrears and such an exchange would entitle Famous Players to all the arrears on the Mansfield stock.

If 75 per cent. of the outstanding preferred shares of the Mansfield Theatre Company are deposited with the trustees for exchange, the offer of Famous Players becomes binding but, on the other hand, even if the required 75 per cent. is not turned in, Famous Players reserves the right to allot and issue its own shares in exchange for those which have been turned in.

Mansfield a Subsidiary

Some time ago, the Famous Players Canadian Corporation formed the Mansfield Theatre Company, in which it owns the majority of the common stock. The Mansfield Theatre is an out-growth of Loew's Montreal Theatre and shareholders in the latter turned in their stock in exchange for Mansfield Theatre stock, thereby accepting the offer of the parent company, the Famous Players Canadian Corporation.

The Mansfield Theatre Company is understood to be doing much better business and has been able to pay off a large mortgage owned by the parent organization. It would seem that although the preferred dividend of the Mansfield Theatre is in arrears, yet the outlook for the future is considerably brighter, and there are possibilities that the preference shareholders might recoup a great portion of the loss on their original investment in Loew's Montreal Theatre.

In considering the offer made by the parent company to the preferred shareholders of the Mansfield Theatre, it is but fair to state that the improved position in which the subsidiary company now finds itself is largely due to the efforts of Famous Players. There are, however, a number of the original shareholders in Loew's Montreal Theatre who feel that it would be unwise to accept the offer of Famous Players, for their company has come through hard times and it would appear that it is now in a position to begin to make a little money. Fixed charges have been and are being reduced through the repayment of loans and mortgages.

For the shareholder who is willing to put his stock away and wait a year or two, the refusal of the offer of the parent company would appear the wisest course. However, there are many of the shareholders who have purchased Mansfield stock up at a considerable discount and now are ready to seize the opportunity for profit offered by the exchange—they would probably be wise in doing this. Again, there are old shareholders who will relish the opportunity of selling their present holdings at anything like a fair market valuation. This is what the offer of the Famous Players, if accepted, will do for the preferred shareholders of the Mansfield Theatre.

The decision is for each individual shareholder. Some may decide to take the more speculative and, possibly more alluring course of hanging on to their present stock. Such a course looks like an excellent gamble. Others may decide to accept the offer. In any event, the individual preferred shareholders of the Mansfield Theatre are quite free to make their own decisions—if the offer is accepted by the majority, the minority shareholders will find themselves in no worse, and possibly a better, position than they are now.

AUTOMOBILES IN QUEBEC

QUEBEC.—That there will be in the Province of Quebec approximately 112,000 motor vehicle licenses issued by the provincial government, is the estimate made for 1926 by departmental officials here. During 1925 the number of licenses issued was 97,418.

Progress

SOUND business principles and a policy of gradual expansion have marked the steady growth of this Bank for over fifty years.

Today, one of the largest and strongest banks in the world, it serves every phase of business and private life at home, and is taking a leading part in the expansion of trade in foreign markets.

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The Royal Bank of Canada

Saskatchewan General Trusts Corporation

HEAD OFFICE: REGINA, SASK.

Subscribed Capital - - $1,000,000.00.

EXECUTOR ADMINISTRATOR ASSIGNEE TRUSTEE

Special attention given Mortgage Investments, Collections, Management of Properties for Absentees and all other agency business.

BOARD OF DIRECTORS:

W. H. DUNCAN, President. G. H. BARR, K.C., Vice-President.

William Wilson, Chas. Willoughby, W. T. Mollard, E. E. Murphy, David Low, M.D., J. A. McBride, J. W. Brown, P. S. Stewart, J. A. M. Patrick, K.C.

E. E. MURPHY, General Manager.

Official Administrator for the Judicial Districts of Weyburn, Arcola and Estevan.

AMPLE RESOURCES

VAST EXPERIENCE

THE ROYAL TRUST COMPANY

A Safe Executor FOR YOUR WILL

When Your Banker Says—"No"

A certain business man was caught in a "tight money" situation, and the bank refused his usual accommodation, quite unexpectedly. He had to tell his employes that the pay roll would not be met until "next Monday."

On Monday his troubles were multiplied a hundredfold because of the talk his men had indulged in over the week-end, to the injury of his credit.

He had no "Emergency Reserve."

The hardest job to tackle is the "Receiver's job," because the most potent factor for success, Commercial Credit, has been destroyed.

If you are a business man, a letter from you will bring a few worth-while suggestions from the Head Office of the

Canada Life Assurance Company

Head Office - - Toronto, Canada

ASBESTOS CORP. EARNINGS BETTER DURING PAST YEAR

Gross Shows an Increase of Some 50% in 1925

From Our Own Correspondent.

MONTREAL. — The final annual report of the Asbestos Corporation of Canada shows better conditions prevailed during the year in the asbestos industry and augurs well for the future of the new merger company.

Profits from operations increased by over $350,000 and amounted to $781,979 for the year. The income from investments showed a slight decrease; after the payment of the increased dividends on the common stock and after allowing $75,000 for depreciation which was not charged last year, there remained surplus profits of over $200,000, as compared with $29,061 last year. The allowance for depletion was also augmented.

The exhibit really is of academic interest only due to the recent consolidation. Changes in the balance sheet were of a minor nature and resulted in a slight betterment of the working capital position.

The profit and loss accounts over the past three years compare as follows:

	1925	1924	1923
Profits	$781,979	$419,248	$368,936
Invest. inc.	118,761	127,106	183,394
Net income	900,740	546,354	552,330
Bond interest ..	150,000	150,000	150,000
Balance	750,740	396,354	402,330
Deprec.	150,000	67,293	....
Balance	600,740	329,061	402,330
Pfd. divs.	240,000	240,000	260,000
Balance	360,740	80,061	142,330
Com. divs.	150,000	60,000	120,000
Surplus	210,740	29,061	22,330
Prev. surp. ..	2,262,469	2,233,407	2,211,076
Total surp.	2,473,209	2,262,468	2,233,406
Earn. on com.	12%	2.96%	4.74%
Working Capital Higher			
Curr. assets ...	4,150,533	3,225,895	3,306,962
Curr. liabs. ...	1,029,496	307,605	188,500
Work. cap. ..	3,121,037	2,918,290	3,118,462

The president's remarks follow, in part:

"The profits shown after making allowance for bond interest, government taxes, and other charges, amounted to $750,740.40, compared with $396,355.07 last year. From these profits, $150,000 has been provided for exhaustion of minerals and depreciation, and dividends at the rate of 6 per cent. on the preferred and 5 per cent. on the common were declared, amounting to $390,000; leaving a balance of $210,740.40, which has been carried to the general surplus account of the company.

"The shareholders at the special meeting on the 18th December, 1925, voted unanimously to authorize the directors to sell the whole undertaking and assets of the company to a new company organized to take over various companies in the district.

"Your directors signed the deed of sale on the 1st day of February, 1926, to the new corporation, and as this is the last annual report that will be issued by the present company, the directors in closing their stewardship desire to express to the shareholders their thanks and appreciation for the loyal support granted them throughout the years since the organization of the company in 1912.

"In assuming the larger and broader field of activities that lie before the new corporation, we are hopeful that by continued efforts of sound business practice, the results will be of advantage to all."

TURNER VALLEY FIELD PROVIDES NEW SENSATION

(Continued from page 1)

ning casing, preparatory to drilling the hole deeper.

Dispute Arises

At the beginning of the week it was announced that drilling at the No. 6 Royalite, in the Turner Valley field, would be suspended indefinitely. The reason for stopping work is that a legal dispute, based on technicalities in connection with the oil and natural gas rights, is pending. The well had reached a depth of 2,854 feet and was one of the two wells in the field using a rotary outfit.

No. 5 Royalite, where another rotary outfit is working, is now down 2,979 feet.

Bow River No. 1, the Imperial well in the Jumping Pound district, west of Calgary, made good progress during the week, drilling down from 165 feet to 340 feet.

At the Coalspur well, west of Edmonton, the crew were still at work on the casing. The depth of this hole is 4,305.

Ore receipts at the Trail Smelter of the Consolidated Mining & Smelting Co., from Feb. 21 to Feb. 28, inclusive, totalled 12,150 tons. Of this total 10,319 tons came from the company's mines. Receipts from Jan. 1 totalled 82,224, and of this amount, 66,191 tons was shipped from the company's mines.

Public Utility Earnings

NORTHERN MEXICO POWER & DEVELOPMENT

January—	1925	1926	Incr.	Per. C.
Gross	75,746	102,547	26,801	35.38
Net	56,931	83,738	26,807	47.08

Winnipeg Electric

	Jan., 1926	1925	Incr.
Gross earn.	$507,832	$504,814	$3,108
Oper. Exp. & Taxes	338,975	355,655	x16,680
Net Earn.	$168,857	$149,158	$19,699

xDecrease.

OTTAWA AND HULL POWER

January—	1926	1925	Incr.
Gross Rev.	$34,102	$32,763	$ 1,338
Oper. Exp., Taxes, and Maint.	7,826	7,069	757
Net Earn.	$26,275	$25,693	$ 581

FIVE MONTHS END. JAN. 31

	1926	1925	Incr.
Gross Rev.	$158,244	$154,093	$ 4,151
Oper. Exp., Taxes, and Maint.	33,596	32,637	959
Net Earn.	$124,648	$121,456	$ 3,192

Royalite Well Output 20,000 Barrels in Month

CALGARY.—The big naptha well of the Royalite Co., in the Turner Valley field, south of Calgary, surpassed all records of production during January, when it produced 20,000 barrels of naptha. The previous high record was in the month previous, when 15,556 barrels were produced.

NEW RADIAL PLAN IS MEETING WITH BUT LITTLE FAVOR

Enthusiasm Chiefly in the Municipalities to Benefit Directly

The Toronto Hamilton radial, which was embraced in the Hydro program of a few years ago, and was dropped when the Sutherland commission revealed the weaknesses of the whole scheme, is being revived. However, the enthusiasm for it lies largely with the municipalities which would secure additional service and are not particularly concerned about the cost.

The municipalities between Toronto and Hamilton will vote on the question. Nothing could be done at the meeting held this week. since the delegates were not prepared to act. The suggested plan is for the Ontario Hydro Electric Power Commission to build an $11,000,000 speed line between the two cities along the hydro-owned right of way from Toronto to Oakville, and the roadway of the Oakville-Hamilton line for the balance.

Apparently the two terminal cities are either opposed to or indifferent to the project. The enthusiasm exists in certain of the municipalities along the way. Opposition to the scheme is based on a number of considerations. The road would be in competition with another publicly owned line. the Canadian National. Then there is the bus competition. A number of new companies have recently put buses into service, and there seems to be ample accommodation of this kind. There may be difference of opinion as to whether the buses are actually winning out in the competition or whether there is a definite place for both. There is a well supported body of opinion in favor of the latter viewpoint.

Those in favor of reviving the hydro radial project point to the rapidly developing residential and industrial area along the water front between the two cities, and urge that better transportation facilities are required. It is said that adequate bus transportation would tax the highway beyond its capacity, and that there are many who will always demand the added facilities offered by the radials. Whether or not there is sufficient public opinion in favor of the project will be determined at the meeting arranged for.

In the face of the arrangements being made by the power commission. the Toronto Board of Control has its own plans with regard to the section of radial line between Toronto and Mimico. It was decided to proceed with a plan to transfer the control of the York Radials from the Hydro-Electric to the Toronto Transportation Commission. The Hydro will be asked to relinquish its interest in this section of the road. There is a feeling on the Toronto Board of Control that the cost to Toronto of the Hydro project would prohibit support being extended.

With regard to the expense involved in the new radial project, a report prepared by the Hydro-Electric Power Commission indicated that the grand total cost would be $11,184,148. From this is deducted the Mimico investment of $519,272 making the net capital required $10,664,876. The annual revenue of the road was estimated at $918,825 from passenger service, $425,000 from freight service, and $12,000 miscellaneous, making a total revenue of $1,355,825. Annual charges were figured at $1,271,042, made up of $709,235 from operating expenses and $561,807 interest. With the greatly improved and more frequent service, and with the gradual increase in the population of the lake shore municipalities, it was estimated that the revenue of the road would increase rapidly. The figures placed in the estimate for 1932 were as follows:

Gross capital requirements	$ 11,684,148
Annual Revenue	
Interurban passengers	$ 472,000
Mimico local	491,000
Burlington	200,000
	$1,163,000
Freight	$ 475,000
Miscellaneous	15,000
Total	$ 1,633,000
Annual Charges	
Operating expenses	$ 770,800
Depreciation	150,000
	$ 920,800
Interest	586,807
	$1,507,607

The liabilities incurred in connection with the proposed radials amounted to $1,036,000. It was itemized as follows:

Toronto, Port Credit line:	
Cost of land	$404,918.48
Expenses, purchase	27,183.21
Engineering, etc.	23,782.30
Interest	192,711.37
Total	$648,595.36
Port Credit-St. Catharines:	
Cost of land	$ 62,377.00
Purchase expenses	9,045.00
Engineering, etc.	63,589.47
Interest	135,873.08
	$270,884.55
Purchase of ties	448,857.72
Sale of ties	331,341.63
Loss on ties	$117,510.09

RAILWAY EARNINGS

Canadian Pacific Railway

Week end.	1926	1925	Change
March 7 ..	$2,963,000	$2,809,000	+$154,000

Canadian National Railways

Week end.	1926	1925	Change
March 7 ..	$4,386,699	$4,086,169	+$300,530

New Issue

$300,000

The Humberstone Shoe Company

Limited

8% Cumulative Redeemable Sinking Fund Preferred Stock

Par Value $100 per Share

Dividends payable quarterly on February 1st, May 1st, August 1st and November 1st, in Canadian funds at any branch in Canada of the Company's Bank (The Imperial Bank of Canada), or to bona fide United States holders in New York funds. Callabl as a whole or in part, at the Company's option, at $110 and accrued dividend per share, on sixty days' notice in writing.

Transfer Agents: The Trusts and Guarantee Company, Limited, Toronto.

Registrar: National Trust Company. Limited, Toronto

CAPITALIZATION

	Authorised	To be Issued
8% Cumulative Redeemable Sinking Fund Preferred Stock (this issue)..	$300,000	$300,000
Common Stock of no par value	10,000 shares	10,000 shares

NO BONDED DEBT

DIRECTORS

(To be elected)

H. H. KNOLL, Esq., Humberstone, Ont.
President and General Manager

LIEUT.-COL. J. G. WEIR, D.S.O., Toronto
(McLeod, Young, Weir & Co. Limited.)

C. A. NEFF, Esq.,
Humberstone, Ont.

L. B. SPENCER, Esq., Welland, Ont.
(Messrs. Raymond, Spencer & Burr, Barristers.)

J. H. RATCLIFFE, Esq., Toronto.
(McLeod, Young, Weir & Co., Limited.)

Mr. H. H. Knoll, President and General Manager, summarizes his accompanying letter to us as follows:

HISTORY AND BUSINESS—The business had its inception in 1905. The company's plant is the largest plant in Canada devoted exclusively to the manufacture of children's open-leather shoes or "sandals." The company owns, free of all encumbrance, a modern fire-proof shoe manufacturing plant at Humberstone, Ont., which is virtually part of the Town of Port Colborne. The company enjoys a broad market for its product from coast to coast throughout Canada.

SECURITY—The preferred stock is preferred both as to dividends and assets. No bonds may be issued or mortgage or loan given on the fixed assets without the consent of the holders of at least 75 per cent. of the preferred stock, except security to the Company's bankers and purchase money mortgages. The Company must at all times maintain net current assets at an amount at least equal to 50 per cent. of the aggregate par value of the outstanding preferred stock, or $150,000, whichever is greater, and net tangible assets at an amount at least equal to 125 per cent. of the aggregate par value of the outstanding preferred stock. The holders of the preferred stock have the right of electing a majority of the directors in the event of non-payment of four consecutive quarterly dividend instalments or non-compliance with the foregoing requirements as to net current and net tangible assets, which right continues until such requirements have been complied with and all dividends paid.

SINKING FUND—The Company must set aside 10 per cent. of its net yearly profits, after payment of preferred dividends, as a sinking fund for redeeming the preferred stock. The preferred stock may be purchased by the Company in the market, or it may be called on notice at $110, and accrued dividend per share.

ASSETS—The fixed assets of the Company, on the basis of an appraisal by the Canadian Appraisal Company as of August, 1925, less depreciation to February 15th, 1926, amounted to $188,125.16. The net current assets, as shown by the Company's opening balance sheet, certified by Messrs. Price, Waterhouse & Company, amount to $190,621.35. The total net tangible assets, including prepaid expenses of $5,597.25, therefore, amount to $384,343.76, which is equivalent to $128 for each share of preferred stock outstanding.

EARNINGS—Net earnings for the period of three completed fiscal years from August 1st, 1922, to July 31st, 1925, after all expenses of manufacturing, selling and administration, and after adequate provision for depreciation on the basis of appraised values, but before deducting income taxes, as certified by Messrs. Price, Waterhouse & Company, were as follows:

Period	Net profit before deducting Income Taxes
Year ended July 31, 1923	$55,421.55
Year ended July 31, 1924	$71,774.46
Year ended July 31, 1925	$86,996.24

This is a yearly average, for the three-year period, of $71,397.41, or 2.97 times the maximum annual dividend requirements on the preferred stock. The Company's business is a seasonal one, the bulk of the sales and shipments being made in the months from January to June.

MANAGEMENT—The management of the business will remain in the hands of Mr. H. H. Knoll, who has been its general manager since 1917.

Under the existing income tax laws the dividends on this stock, in the opinion of counsel, are free from normal Federal income tax to residents of Canada.

We have purchased and offer the foregoing issue if, as and when issued and received by us, and subject to the approval of our counsel, Mr. W. Kaspar Fraser, of Messrs. Starr, Spence, Fraser and Hall, Toronto, as to legal details.

PRICE: 100 and accrued dividend, yielding 8%

We recommend this preferred stock for investment.

Purchasers of this preferred stock have the right to purchase one share of common stock, at $35.00 per share, for each share of preferred stock purchased. It is proposed to place the common stock upon an initial dividend basis of $2.00 per share per year, payable quarterly.

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The statements contained in this advertisement are not guaranteed, but are based upon information which we believe to be reliable, and on which we acted in purchasing these securities.

HOLT RENFREW CO. STATEMENT VERY MUCH IMPROVED

Earned 7.6% on Common—Working Capital Position is Bettered Also

From Our Own Correspondent.

MONTREAL.—The annual report of Holt, Renfrew and Company for the year ending January 31, 1926, shows earnings on the common stock equivalent to 7.59 per cent. as compared with 4.57 last year.

Profits from operations, after deducting general, selling and administration expenses, and after providing for income tax, were the highest since the year ended January 31, 1920, and amounted to $229,910, as against $194,115 in the preceding twelve months. After deducting the usual interest charges and a larger amount for depreciation, as well as the dividend on the preferred stock, the surplus for the period amounted to $75,987, as against $45,714. This, added to prior surplus, brought the profit and loss balance up to $370,502.

The balance sheet indicates an improvement of nearly $100,000 in working capital position, being due to higher inventory and accounts receivable. There were no other changes of note in the balance sheet.

Profit and loss account and working capital figures over the past three years follow:

	1925-26	1924-25	1923-24
Profits	$229,910	$194,115	$176,323
Interest	45,165	49,291	63,034
	$184,745	$144,824	$113,289
Deprec'n.	30,851	21,450	19,095
	$153,894	$123,374	$ 94,194
xWritten off. ...	7,907	7,660	7,659
Net profit	$145,987	$115,714	$ 86,535
Pref. divid.	70,000	70,000	......
Surplus	$ 75,987	$ 45,714	$ 86,535
Prior surp.	294,515	248,801	162,266
P. & L. bal.....	370,502	294,515	248,801
Earned on Com.	7.59%	4.57%	1.65%

xWritten off bond disct and alterations.

Working Capital

	1926	1925	1924
Cur. assets	1,391,281	1,284,507	1,365,277
Cur. liab.	75,729	65,848	211,774

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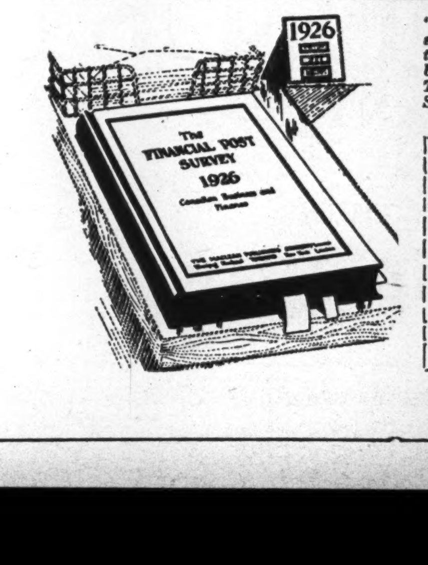

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Food Products

FISHING MERGER AID TO INDUSTRY PACIFIC COAST

Holders of B. C. Fishing Stock to Share in Benefits

From Our Own Correspondent.

VANCOUVER. — Consolidation of fisheries interests in British Columbia is expected to bring about a new epoch in the industry on this coast that will be marked by reduced operating costs, larger profits and a general stabilization of conditions.

Several millions are involved in the amalgamation of the B.C. Fishing & Packing Co. and the Wallace Fisheries, and it is probable that within a few weeks another alliance will take place with the Canadian Fishing Co. and the Gosse, Millerd Co. as participants. The only other concerns operating in an extensive way are the Anglo-British Columbia Fishing Co. and J. H. Todd & Sons.

The merger of the B.C. Fishing & Packing Co., with its thirty plants, and the Wallace Fisheries, operating six canneries, two of the biggest concerns of their kind on the Pacific Coast, is not only the biggest deal financially that the fishing industry here has experienced, but it is regarded as significant of a new trend that cannot fail to put fish packing on the most solid basis it has ever enjoyed. The keen competition which in some instances has probably been the major cause of over-fishing in some waters and which has had the general effect of making investments in coast canneries a rather hazardous proposition will be largely reduced, and the field left open to a few big operators best equipped to develop the industry along sound lines, with every consideration for the conservation of natural resources as well as for serving the market fairly.

The Big Companies

The B.C. Packing-Wallace merger cuts down the number of big combinations operating in the fishing industry in British Columbia to two. Not long ago the Findlay, Durham & Brodie business, so far as fishing operations were concerned, were taken over by B.C. Packing, and Canadian Fishing Co. recently absorbed Dawson & Butterman. Wallace Fisheries was one of the few big operators outside this group and now it has been absorbed. The Canadian Fishing Co. is the Canadian subsidiary of the New England Fish Company.

Wallace Fisheries was established many years ago by Peter Wallace and is one of the province's best known fish concerns. It was taken over by the Mackenzie & Mann interests during the heyday of their activity in the West, but the controlling interest was recently taken over by General A. D. Macrae, and General Macrae and Aemilius Jarvis, vice-president of the B.C. Fishing & Packing Co., played the chief roles in the recent merger negotiations.

"Such a consolidation was inevitable," remarked Mr. Jarvis after the negotiations were completed. "The overhead costs have been so heavy in recent years that it has been very difficult for any of the operators to show a profit. The cost of production has been impossible to reduce materially, so the cut had to be made in overhead, and the merger accomplishes that. The industry is now dominated by two big concerns as compared with five a short time ago."

ALBERTA PACIFIC CO. ELEVATORS ARE SOLD

Transaction Completed Between Spillers and Interests Close to Maple Leaf Milling Company

While details with regard to negotiations recently completed between Spillers Limited, the British milling company, and interests close to the Maple Leaf Milling Company, have not yet been made public, it is learned on the best authority that a deal has been made in connection with the disposal of the Alberta Pacific Grain Company. The latter are large grain dealers controlling some 280 line elevators throughout Western Canada. It was first rumored that the Alberta Pacific and Spillers Overseas, Ltd., had been sold to British interests for $8,000,000. Spillers recently announced that they had approved a draft agreement with Canadian interests for the disposal of Alberta Pacific, and it is now established that a transaction has been made.

Spillers Limited recently took over the control of the Alberta Pacific Grain Company, and have control also of big mills and elevators on the Pacific coast. They have recently commenced operations on a new mill in Calgary, and it is understood this will be proceeded with as originally planned. The machinery for this operation has already been contracted for.

With regard to other operations of the company, it is stated that there will be no change. The various elevators of the Alberta Pacific Grain Company will still be managed by the same men and will continue to serve the grain trade as usual.

B.C. FISHING EARNS $5.85 ON COMMON

The Annual Report is the Most Satisfactory in the Last Four Years

Operating profits before depreciation of British Columbia Fishing and Packing for 1925 amounted to $578,654, compared with $129,153 for the preceding year. After writing off depreciation, $147,040, and providing for accrued taxes to the extent of $77,394, there was left a net profit of $354,220. These two deductions were much larger than in the preceding year, when allowance was made for depreciation to the extent of $90,000 and for accrued taxes to the amount of $13,539. Earnings applicable to the company's stock amounted to $5.85 after depreciation, taxes and insurance. The earned profits available for dividends are shown in the balance sheet at $256,521.

	1925	1924
Operating profits before depreciation and taxes	$ 578,654	$ 129,153
Provision for depreciation	147,040	90,000
Provision for accrued taxes	77,394	13,539
Net profit	354,220	....
Transferred to insurance reserve	102,921	....
Earned profits available for dividends	256,521	x5,223
Current assets	2,070,678	1,642,842
Current liabilities	161,036	460,449
Fixed assets	2,394,636	2,473,061
Total pack, cases	319,108	281,002

xDeficit.

The 1925 annual report is the most satisfactory document that has been placed in the hands of shareholders for the last four years. W. H. Barker, president, in presenting the report to the board of directors, remarks that the markets were in much better shape during 1925 and that better prices were obtained for the higher-class goods. He adds that stocks of fish are practically cleaned up. The year's pack amounted to 288,292 cases in British Columbia, of which 112,690 cases were sockeye, 23,622 spring, 34,484 cohoe, 77,360 cases pink, and 40,136 of chum salmon. In addition, 30,816 cases were packed at the Point Roberts cannery, and about 490 tons of mild cured salmon were marketed.

In Better Position

The balance sheet shows the company has quick assets of $2,070,678. Current liabilities are shown at $161,036. Fixed assets are carried in the balance sheet at $2,394,636. Shares in and advances to other companies are shown at $307,894. An advance expenditure on the 1926 pack amounted to $36,614. The annual meeting is being held in Vancouver on March 30.

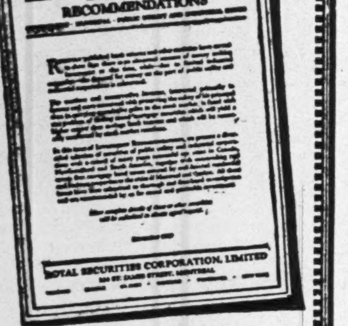
Canning Company Merger Planned in British Columbia

VICTORIA.—Tentative plans for one of the largest mergers of British Columbia fruit and vegetable packing interests ever attempted are under way. If the negotiations are pushed to a successful conclusion, upward of ten canning and packing firms from Ashcroft through the Okanagan Valley to the Coast, and including possibly two Vancouver Island concerns, will merge their executives and finances for a joint sales drive in the markets of the world.

National Food Products Must Sell Merger Stocks

NEW YORK.—A consent decree restraining the National Food Products Corporation from further action toward completion of its proposed $160,000,000 stock holding plan and requiring that it divest itself of voting shares of stock already acquired from certain concerns, was entered by Judge Bondy in the United States District Court.

The decree provided that the corporation shall dispossess itself within sixty days of all its interest in shares of voting stock of Abbotts-Alderney Dairies, Inc., James Butler, Inc., Economy Stores Corporation, Great Atlantic & Pacific Tea Company, Inc., National Dairy Products Corporation, Reid Ice Cream Corporation and either First National Stores, Inc., or United States Stores Corporation.



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CANADIAN SALT TO SELL STOCK TO STAFF MEMBERS

And Shareholders May Subscribe 1 For 5—Record Earnings in 1925

From Our Own Correspondent.

MONTREAL.—Falling in line with the modern idea of securing cooperation in industrial organization through distributing stock to officers and staff members, the Canadian Salt Company will offer shares aggregating $60,000 to members of the organization at par under favorable terms and conditions. At the same time $240,000 of stock will be offered to the present shareholders at par on the basis of one share to five now held.

Earnings in the 1925 annual report of the company showed a very satisfactory increase over 1924 and net profits applicable to common stock stood at 13.7 per cent. as compared with 10.5 in 1924 and 10.8 in 1923. The gross earnings were $346,411, an increase of some $43,500 over the 1924 figure. Changes in the company's balance sheet resulted in a fractional decrease in the working capital. During the year there was expended, less amounts written off, the sum of $146,818 on additions and improvements to the plant. The property account has therefore been increased by a little more than this amount.

The profit and loss account figures and the working capital position figures for the past three years follow:

	1925	1924	1923
Op. profit	$346,411	$302,984	$299,816
Bond int.	63,840	70,970	63,205
Balance	$282,571	$232,014	$236,611
*Bond disc. ..	3,546	3,546	3.940
Balance	$279,025	$228,468	$232,671
*Pat. rts.	2,300	2,300	2,585
Balance	$276,725	$226,168	$230,086
Deprec.	91,826	83,376	44,947
Balance	$184,899	$142,792	$185,139
S. F. res.	......	....	10,000
Balance	$184,899	$142,792	$175,139
Tax res.	20,000	15,834	15,061
Balance	$164,788	$126,958	$169,078
†Bleach	......	....	30,000
Net profits	$164,788	$126,958	$139,078
Dividends	96,000	96,000	96,000
Surplus	$ 68,788	$ 30,958	$ 34,078
Prev. bal.	314,859	283,901	249,823
P. and L. bal. ..	$383,647	$314,859	$283,901

*—Written off.
†—Written off bleaching chamber.

Working Capital

	1925	1924	1923
Curr. assets	$723,064	$697,579	$610,711
Curr. liabs.	220,608	180,801	166,953
Working cap. ..	$502,446	$516,778	$443,758

New Stock Issue

The remarks from the president of the company, Sir Thomas Tait, follow in part:

"It became necessary to increase and improve the efficiency of the steam and electric power plant, and for this purpose a 700 h.p. boiler, to operate at 250 per cent. rating, to carry 325 pounds pressure, is being installed to burn pulverized coal and the installation of another similar boiler and of a 2,000 h.p. turbo-generator have been authorized. These boilers and turbo-generator will effect savings which will represent a handsome return on the expenditure involved.

"In spite of more intense competition in the market and prices for salt, there was a satisfactory increase in shipments over the previous year. Excellent results are being obtained from Windsor iodized salt and the company's new specially purified salt, especially the latter.

"To meet the increased demand for liquid chlorine and caustic soda, the capacity of your plant for their production was substantially increased during the year. There is a ready market for both of these commodities.

"Your directors purpose to issue the balance of the authorized capital stock aggregating $300,000 and consisting of 3,000 shares of the par value of $100 each. Stock aggregating $240,000 consisting of 2,400 shares will be offered to shareholders for subscription at par in the proportion of one share for each five shares held by them. Stock aggregating $60,000 consisting of 600 shares will be offered to the officers and staff for subscription at par upon terms and conditions to be determined by the board. The proceeds of the issue will be used for the general purposes of the company"

Canada Permanent Trust Made Very Good Showing

The annual report of the Canada Permanent Trust Co., operating in conjunction with the Canada Permanent Mortgage Corporation, shows net profits for 1925 of $85,398, compared with $80,146 in 1924 and $74,552 in 1923. After the payment of dividends and adding $25,000 to the reserve, the balance was increased from $16,249 to $26,647. Following are comparative figures:

Profit and Loss

	1925	1924	1923
Net profits ....$	85,398	$80,146	$74,552
Bal. forward ...	16,249	6,103	1,551
	$101,647	$86,249	$76,103
Dividends ......$	50,000	$50,000	$50,000
Reserves	25,000	20,000	20,000
Balance	26,647	16,249	6,103
	$101,647	$86,249	$76,103

Eight Years' Record

Year	Paid-up Cap.	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1925	$1,000,000	$85,398	5	8.5	6.8
1924	1,000,000	80,146	5	8.0	6.6
1923	1,000,000	74,552	5	7.4	6.3
1922	1,000,000	70,833	5	7.0	6.1
1921	1,000,000	65,134	5	6.5	5.7
1920	1,000,000	76,289	5	7.5	6.7
1919	1,000,000	63,672	4	7.3	6.1
1918	259,000	19,412	.	7.5	6.2

It will be noted from the foregoing that not only did the earning rate on capital increase from 8 per cent. to 8.5 per cent., but the return on the total funds employed, including reserve and surplus, increased from 6.6 per cent. to 6.8 per cent.

The balance sheet shows assets of $11,200,879 compared with $9,893,971 a year before and $8,021,172 at the end of 1923.

HEATON'S HANDBOOK

Heaton's Handbook for 1926, which has just made its appearance, is a decided improvement over previous issues in many important respects. The improvement lies in the enlargement of existing departments rather than in the addition of new matter, although there are several valuable features added to this edition.

Perhaps the outstanding feature of Heaton's Handbook is the concise and well-indexed treatment of the Canadian tariff duties. The rates are brought up to date, and a thorough discussion of procedure adds much to the value of the section.

An outstanding feature of the recent issues of Heaton's is the directory of insurance companies which covers the names of officials of the various companies as well as specifying the type of insurance handled. The directory of officials of the various governments and government departments is also a valuable reference.

In constant demand in the large business house is a catalog of the manufacturers, in various industries, in the different towns and cities of the country. Heaton's contains a complete list of the leading manufacturers in the larger towns and cities of Canada.

Altogether, the issue is a highly creditable one, and its increased utility should be appreciated by the business public.

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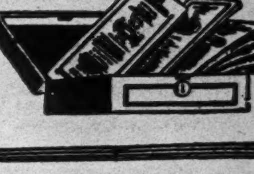

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CANADA'S PART IN THIS GREAT GIFT TO THE WORLD

In 1874, at Brantford, Ontario, Alexander Graham Bell conceived the idea of the telephone—a contribution to science, still adjudged by many as the greatest invention of all time. Two years later in Boston (on March 10th, 1876—50 years ago this month) the telephone acquired a physical existence when the finished instrument was made.

CANADA—*the* Birthplace *of the* Telephone Idea

In the brief span of a young man's lifetime the telephone has developed from a crude experiment until it has become an essential part of human equipment. Today in Canada over 1,000,000 telephones are in use—almost constantly in use. Linking those instruments of communication are miles upon miles of wire running into the hundreds of thousands. Thousands of exchanges, each filled with an intricate maze of wires and equipment are required to clear the way for the millions of messages transmitted daily by telephone. Thus has Canada, the birthplace of the telephone idea, utilized this epoch-making invention.

Every advance made by the telephone has been of very practical benefit to Canada. The making of telephones, telephone wires and cables, and telephone exchange equipment is an important Canadian industry. Extensions of telephone service and installing of new exchanges as they are demanded by the needs of business, give employment to thousands of skilled Canadian workers and, in turn, contribute very directly to the prosperity of Canada.

LORD KELVIN'S PROPHECY

At the first exhibition of the telephone in 1876, the noted scientist, Lord Kelvin, ventured to prophesy that a day would come when lovers would whisper to each other over the telephone.

Northern Electric COMPANY LIMITED

Equipment for transmitting Power and Sound

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THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER.

Toronto, March 12, 1926

The Financial Post's Platform for Canada

Promote national unity.
Reduce taxation; curtail public waste.
Conserve Canadian resources for Canadians.
Develop production and manufacturing to the highest point in Canada.
Settle our vacant lands.
Encourage individual initiative.
Induce and protect investment of capital in Canada.

SCIENCE AND NATURAL WEALTH

THERE will be no disposition on the part of business interests which contribute such a large portion of the country's taxes to criticize the expenditures on scientific and industrial research, which last year totalled $121,000—the most of it for actual research work, and some of it for the training of research workers. There would, on the other hand, we believe, be a willingness on the part of these taxpayers to contribute to a considerably larger total for this purpose if such larger research activities were also directed to the practical development of the nation's resources.

Canada's unrealized wealth lies in her agricultural potentialities and in her mineral, forest and other natural assets. The extent to which this wealth can be realized will largely depend upon the increasing of agricultural production and the development of raw materials to their highest possible state of manufacture and market value.

The value of scientific research to Canada has been adequately proven. Marquis wheat has increased the actual potential value of the country's farm lands, particularly in the West, by hundreds of millions of dollars. The new wheat, Garnet, promises to add other millions to the accomplishments of Marquis, and it has been estimated that if a rust-proof wheat can be perfected the saving would pay the entire administration expenses of the four Western provinces—nearly $60,000,000 a year. A new variety of oats recently announced by Prof. Zavitz, of the Ontario Agricultural College, is expected to add six bushels to the acre and many millions of dollars to the value of the oats crop.

In the field of metallury there are important experiments being carried on with regard to the treatment of iron ores. The utilization of Canada's coal deposits and coal tar derivatives in the solution of the fuel problem has been given added importance as the result of the recent coal strike in the United States. Then there is much work to be done in checking forest destruction and making use of forest by-products. The conservation of the salmon and the preservation of other sources of fish supply are also of the greatest importance.

Canada cannot expect to compete with more wealthy countries in the scientific investigation of complex industrial problems and the improvement of methods in mass production and merchandising. At the same time, Canada cannot afford to be too conservative in expenditures for scientific research in regard to the possibilities of her own agricultural industry and of the industrial value of her mines, forest and fisheries.

And scientific research applied to Canada's industrial resources will prove the soundness of the policy that the products of our mines and forests, and other sources of raw materials, should be exported in a manufactured state rather than as raw materials. When pulpwood, nickel, asbestos and other products with which Canada is in a favorable position to supply the world are made into finished products by Canadian labor this country will add immeasurably to her national wealth and prosperity.

EXPORTING INTELLIGENCE

CANADIAN engineers who act in a purely consulting capacity have organized the Association of Consulting Engineers of Canada. This new body will be in a position to urge that engineering work in this country be carried out along "Produced in Canada" lines.

Although it would be wise for this new organization to bring the merits of its case to the attention of the public, yet both the new Engineering Association as well as the Canadian Manufacturers' Association must realize that the purchase of either engineering services or goods must always be made on the fundamental basis of merit. The appeal to sentiment will only be effective where other things are equal.

In many lines, the Canadian occupies a predominant position in the world of engineering science. This is notably so in bridge-building and in the creation and distribution of hydro-electric energy. However, too often in the past, Canadian corporations in need of such services have automatically gone to the United States to fill their requirements. Recently American engineers were employed to design the new Montreal South Shore bridge, but when public opinion was aroused, Canadian engineers were added to the designing board.

There is one interesting point in this connection. Canadian colleges—supported by public funds—are turning out many embryo engineers each year, who go to the United States to obtain employment. One of the contributing factors thus leading to the export of our best trained brains is the employment of United States engineers on Canadian jobs.

A U.S. MARKET FOR OUR CATTLE

THE Canadian Council of Agriculture, having gone on record as favoring—by means of reciprocal arrangement—a reduction in the duty on cattle entering the United States, as has been pointed out by The Financial Post, the present would seem to be a favorable time to work out some agreement of this kind. The administration at Washington has shown a disposition to make favorable trade arrangements with Canada, particularly when it can be shown that these work out to the interests of an important section of the American community. As previously explained, the tariff against cattle was aimed at exports from South America and Mexico rather than those from Canada. Canadian cattle compete in the eastern markets with cattle from the Western States, but on the other hand the Western cattle men are interested in getting stockers and feeders at favorable prices from the Western prairie ranges of Canada.

The point might again be made, however, that any arrangement between Canada and the United States affecting the cattle industry should be in the form of a lasting treaty rather than a regulation assured of no longer life than that of the current administration. The Canadian cattle industry benefitted substantially when the American market was thrown open some years ago, but the benefits thus obtained were very largely lost when the market was closed again and thousands of head of Canadian cattle, mostly in Western Canada, had to be sold at sacrifice prices. Following this tragedy in the Canadian cattle industry, the intervening years have been spent in producing breeds and types suitable for finishing to advantage in Canada for export to the British market. The Canadian cattle industry is now being rebuilt on the basis of this export trade which is assuming satisfactory proportions.

Canada will benefit from securing the American market for livestock, but that benefit will be a questionable one—as experience has proven—if there is no assurance of reasonable permanency.

EDITORIAL NOTES

IF ALBERTA coal gets credit for a reduction in the price of coal which was coming in any event because of the settlement of the strike—well, so much the better for Alberta coal.

* * *

THE Quebec Chronicle-Telegraph declares that it is impossible to have any sound Canadian spirit as long as a spirit of sectional and racial emulation exists.

* * *

IN VIEW of the satisfactory experiences of a great many coal-short citizens of Ontario, during the present winter, it would seem to be the very proper time to consider the expansion of coking facilities for the treatment of Eastern and Western coal in Central Canada.

* * *

COMMENTING on the attitude of Westmount and Outremont in spurning any proposal for annexation to Montreal, the Quebec Chronicle-Telegraph says that these cities are known to be two of the best administered municipalities in the province. La Patrie says that the attitude of the two independent cities towards becoming part of Montreal is justified by the experience of the last municipalities that became annexed to the city.

THE NEW INDUSTRIAL OWNERSHIP—Article 3

The Contented Employee and Industrial Efficiency

Modern Idea is to Encourage Co-operation of Workers—A Change From the Time When Labor Was Bought at Lowest Possible Prices

PLANT COUNCIL A SUCCESS AT MASSEY-HARRIS

By J. W. Tyson

WHETHER or not Vanderbilt ever actually used the phrase "To Hell With the Public," that expression very effectively sums up the people's conception of the attitude of big business during the latter years of the nineteenth century. The captain of industry of that period was far from being the absolute despot he was pictured by radical writers and labor agitators. He did not fix his own compensation without any regard to the value placed upon his services by the public whom he served, nor did he possess arbitrary power to fix the wages of his workmen. But the principle of industrial organization was largely that of one man control and for the most part labor was regarded as a commodity to be bought at the lowest market price. The average employer did not assume that he had any further responsibility towards his workers than the wages contained in the Saturday night envelope.

Publicity the Cure

Publication in fullest detail of prices, profits, salaries, wage scales and underwriting profits will not only contribute to a better co-ordination of production by competing groups and so lessen hostility, but will do more than will any other measure to promote wholesome relations between labor and management—Robert S. Brookings, in his book "Industrial Ownership—Its Economic and Social Significance."

Getting Labor's Good Will

The present day attitude of capital towards labor acknowledges a responsibility, not alone towards the shareholders who have become the owners of business and industry to a very large extent, but also towards labor. The manager-owners of large enterprises to-day assume a responsibility to secure for labor, as a factor in inducing co-operative effort in productive efficiency, a return sufficient in amount and regular enough in its distribution to remove ground of suspicion and opposition to organization policies directed to greater and cheaper production. Labor is no longer a commodity to be secured at the lowest possible figure. The value of efficiency resulting from a willingness to co-operate is recognized and the asset of a minimum labor turnover is properly appreciated. Bonuses, pensions, group insurance, plant councils, recreation facilities and welfare movements of various kinds have their frank benefits for the company (as well as for the workers) in the higher efficiency resulting from satisfied employees; at the same time the cost of labor turnover is materially reduced.

In his interesting, practical little book on "Industrial Ownership—Its Economic and Social Significance," Robert S. Brookings, president of the Washington University Corporation, St. Louis, who acted as chairman of the Price Fixing Committee during the war, and who writes as a practical manufacturer of many years experience, rather than an economist, observes: Just in proportion as we develop a standard under which managers as the genuine representatives of the interests of their employees as well as of the stockholders, the function of the trade union ceases to be one of warfare and comes to be one of co-operation.

Getting Labor's Interest

The success of the new spirit of co-operation as between employer and employee lies in the greater efficiency as producers of workers satisfied with their surroundings, and the conditions under which they work, and the return in wages or benefits. The higher return paid for labor generally under modern wage scales, together with the shorter hours and the cost of plant and equipment make it highly desirable from the standpoint of successful industrial operation that the workers should be interested in making the best possible use of their time. It was not so under the old conditions. The worker who was paid the lowest market wage did just as little work as he could to hold the job. Under those conditions labor possessed vast untapped sources of productive power which could not be made use of so long as capital and labor stood in the attitude of mere bargainers, each striving to get the better of the other. Labor's opposition to the introduction of machinery was one of the evidences of this situation.

To-day there is a vast improvement in the attitude of the workers because of the new policy of capital but there is still much room for improvement in regard to some of the union regulations concerning the classification of jobs, the shifting of men from one task to another, methods of payment and other working conditions. All regulations which aim to curtail productiveness, beyond the necessary safeguards against excessive strain and too long hours, merely serve to increase production costs and impose a burden on the buying community. They may help those who are strongly entrenched, but they do so at the expense of others; and usually the cost to the many is out of proportion to the benefit to the few. On the other hand where labor is treated as a commodity to be bought at the lowest price productive effort is curtailed—the will to produce is a very important factor. Large scale production is now being recognized as a co-operative process and it is essential that management, in the first instance, and the workers in the second, shall bring to it the spirit of co-operation, if the best in production is to be obtained.

The Modern Plant Council

One way in which corporation managements are encouraging the co-operative attitude on the part of workers is through the introduction of a larger proportion of labor representation in the management itself, an experiment which is proving its value in a number of big concerns in Canada as in the United States. The British Empire Steel Corporation and the Massey-Harris Co. are Canadian corporations which have successfully adopted the plant council idea. Some reference will be made here to the working of the plan in the latter company as a demonstration of actual accomplishment.

It is now six or seven years since the Massey-Harris Council plan was adopted in its various plants and during that period it has proven quite as successful as could have been hoped for. To-day the constitution stands without change—it has operated as was planned. And during that period there has been no instance in which the right to appeal to the executive head of the company has been exercised. All matters which have come before the council have been settled by that body—by the representatives of the men and of the management—to the mutual satisfaction of the interests concerned.

The Massey-Harris Plan

According to Thomas Bradshaw, general manager of the company, the Massey-Harris Industrial Council plan has fully proven itself and has been of the greatest value in the securing of that spirit of co-operation between the workers and the management which means so much in this day of high production costs and keen competition.

During the years of its successful operation the Massey-Harris Council has had to do with the settlement of six questions affecting hours of employment, factory conditions and other equally important and less important questions—apart from actual wage scales—affecting the relations of the workers and the company and all have been arranged and adjusted, as previously stated, without an appeal to the president as provided for being necessary.

Following is a summary of the most important clauses of the constitution of the Massey-Harris Industrial Council, which will not only have a general interest, as indicating the new relationship of workers and management, but may have a practical value to employers of labor generally, whether they may be considering the adoption of such a plan or whether they are bidding in a labor market in which these new developments are an influence:

Purpose

Massey-Harris Co., Ltd., and its employees, adopt this plan of a council in order to provide effective communication and means of contact between the employees and the management on matters pertaining to industrial relations so as to establish these relations upon a definite and understanding basis of mutual understanding and confidence and to promote the common welfare.

The council shall consider questions of policy relating to wages, hours, employment and working conditions, works practice and rules, safety and prevention of accidents, sanitation and health, and other similar matters of mutual interest.

For this purpose the employees and the management shall have equal representation on the council.

When the policy of the company as to any of these matters has been settled by the council, its execution shall remain with the management, but the manner of such execution may at any time be a subject for the consideration of the council.

Council

Employees shall elect from among their own number duly authorized representatives. The management representatives shall not exceed the representatives of the employees in number.

The basis of representation shall normally be one employee representative to every one hundred and fifty to two hundred employees, but in no case shall there be less than three employee representatives in the council.

Qualifications

Employees who are Canadians or British subjects by birth or naturalization, twenty-one years old or over, and who have been continuously in the service of the works for two years immediately prior to nomination shall be eligible for nomination as employee representatives.

Foremen, assistant foremen and other persons having the power of employment or discharge shall not be eligible for nomination.

Elections

Nominations and election of employee representatives shall be by secret ballot semi-annually in the months of June and December.

Nominations and elections shall be conducted by the employees themselves with only such assistance from the management as may be required.

All employees, both men and women, who are 18 years of age and over, shall be entitled to vote, except foremen, assistant foremen and other persons having the right of employment or discharge.

The Management

The representatives of the management on the council will be appointed by the management promptly after the election of the employees representatives. The number of management representatives on the council shall not exceed the number of elected employee representatives.

Organization

The management will name a person to act as chairman of the council. A secretary shall be appointed by the works manager or superintendent of the works. Neither the chairman nor the secretary shall have a vote.

A majority of the employee representatives, together with a majority of the management representatives shall constitute a quorum, and no business shall be transacted at any meeting where less than a quorum is present.

The council may appoint such sub-committees at it deems desirable for the prompt and efficient conduct of its business. On all such sub-committees the employees and management shall be equally represented and each group shall have equal voting power.

The council shall hold regular monthly meetings at times fixed by the council. Special meetings may be called on three days' written notice by the chairman, secretary, or any three members of the council. Sub-committees shall meet whenever necessary.

Employees' representatives on the council shall receive their regular pay from the company during such absence from work as this service actually requires.

Employees attending any meeting at the request of the council, or any sub-committee, shall receive their regular pay from the company for such time as they are actually and necessarily absent from work on this account.

Procedure

Any employee or group of employees who have been unable to make an adjustment of any matter with the foreman of the work on which he or they are engaged and who desire to bring such matter before the council may present it to the secretary of the council either personally or through their representative. The secretary shall first ascertain whether the matter has been properly presented through the proper channels to the superintendent, and if not he will see that this is promptly done.

If the matter is not satisfactorily disposed of in this manner, the secretary shall submit a written statement of the matter to each member of the council at least three days before the next regular meeting.

Any employee or group of employees thus referring a matter to the council shall have an opportunity to appear before it and present the case. Any such group of employees shall select not more than three spokesmen from their own number to appear before the council.

After full investigation and discussion of any matter under consideration by the council, the chairman shall call for a vote which shall be secret, unless otherwise decided by the council. The employee representatives and the management representatives shall vote separately. The vote of a majority of the employee representatives shall be taken as a vote of all and reported as their unit vote. Similarly the vote of a majority of the management representatives shall be taken as a vote of all and recorded as their unit vote. The vote in the respective units may be by ballot if so desired.

When the council reaches an agreement on any matter, its recommendation shall be referred to the works manager and superintendent for execution, except that if the works manager and superintendent considers it of such importance as to require the attention of the general officers, it shall be immediately referred to the president of the company who may either approve the recommendation of the council and order its immediate execution by the works manager and superintendent or proceed with further consideration of the matter as hereinafter provided.

If after further consideration, the vote in the council remains a tie, then the matter shall, at the request of either the employee representatives or the management representatives, be referred to the president of the company.

If the president decides not to refer the matter to a general council, or if upon reference to the general council the vote is a tie, then the matter may, by mutual agreement of the president and a majority of the employee representatives, be submitted to arbitration.

Whenever in the opinion of the president any matter coming before any council affects other works of the company or the works of our affiliated companies, the Verity Plow Co., of Brantford, and the Bain Wagon Co., of Woodstock, or whenever he desires to refer any matter as provided for in Article XI., he may call a general council and thereafter the local council shall take no further action thereon.

Arbitration

Whenever the president and a majority of the employee representatives in the general council or the local council, as the case may be, have mutually agreed to submit a matter to arbitration, they shall proceed to select an impartial and disinterested arbitrator. If they cannot agree upon an arbitrator the employee representatives shall choose one such arbitrator and the president shall choose another, and if these two agree their decision shall be final. If they do not agree, then they shall select and call in a third arbitrator, and the decision of a majority of these three shall be final.

Every representative serving on any council or general council shall be free to discharge his duties in an independent manner without fear that his individual relations with the company may be affected by any action taken by him in good faith in his representative capacity. To insure to each representative his right to such independent action he shall have the right to appeal directly to the president, the council, or the general council, for relief from any alleged discrimination against him, and if the decision is not satisfactory to him, then to have the question settled by an arbitrator selected by mutual agreement.

The representation of employees herein provided shall in no way abridge or conflict with the right of employees to membership in any labor or other lawful organization.

Massey-Harris Plant Council at Work

Corporation Bonds

We maintain an active market on all high grade Canadian Corporation Bonds.

Investors desiring to purchase or sell, will find it advantageous to receive our quotations.

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As to Income Taxes

Ottawa Journal.

The United States Income Tax Reduction Bill has been passed into law. Under it something like $350,000,000 is cut off our neighbor's tax bill in one fell swoop, and 2,300,000 Americans who paid income tax in 1925 will be exempt altogether in 1926.

This is a fine thing for the United States; a serious thing for Canada. This country, if it is ever going to attract capital, develop its resources, and keep its people at home, must keep the scale of its taxation as low as that of the United States. There is no need to labor the reason.

But we are not doing that. To-day United States taxation (so far as incomes are concerned) is not more than a fifth of taxation in Canada; Canadian business men, in addition to being subjected to frequently unfair competition, through lack of adequate protection, are burdened with an additional handicap of heavier taxation than their American competitors. The consequences, inescapably, are bad.

The worst feature of the situation is that there is no prospect of a change. During the election Mr. Robb and Mr. King promised lower income taxes, but few familiar with the existing position expect fulfilment of the promise. The simple truth is that we are still spending money recklessly, using it for purely political purposes, and adding day after day to our annual fixed charges. One has but to look through the auditor-general's report for last year, and study Mr. King's legislative programme for this year, to realize the hopelessness of our position.

BRITISH IMMIGRANTS COMING

EDMONTON.—Between 1,000 and 1,500 young men from the United Kingdom will be arriving in the Edmonton district within the next few months to undertake farming work here, say officials of the Land Settlement board. These immigrants are all British and in the main are young, single men, who are coming for actual farm experience with the idea of becoming farmers themselves later on.

British American Oil

At the market price of around 50, British American Oil not only yields a splendid return as an investment, but it has particularly good speculative possibilities.

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Investment Securities

Your Investments

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

Calgary School District

S. J., Victoria, B. C.—Would you be good enough to give me a report on the 4½ per cent. debentures of the Calgary Protestant School District, maturing 1932?

Fortunately the school district situation around Calgary is very much better than that in parts of Manitoba. There are no defaults in the Calgary district and we understand that the 4½ per cent. debentures of the Calgary Public School district maturing 1932 are quite substantial.

Insurance Exchange

T. B., Preston, Ont.—Would you suggest the exchange of Province of Ontario 5 per cents. of 48 for Montreal Insurance Exchange bonds?

Your suggested change of Province of Ontario 5 per cent. bonds of 48 for 6½ per cent. bonds of Montreal Insurance Exchange Building, would depend entirely upon the position of your other assets. The Montreal Insurance Exchange Building, although it rented very slowly at first, is now well rented and is doing well. The yield is an attractive one.

Maple Leaf

H. S. M., Kenora.—Would you recommend the sale of my Maple Leaf Milling stock in view of the price weakness?

We should hesitate to recommend the sale of Maple Leaf common stock at present prices. Most of the milling stocks have been weak recently as a result of the very difficult conditions which the milling companies have faced through keen competition and other factors and it is not at all certain that there will not be further recessions. At the same time Maple Leaf is one of the strongest of the milling companies and the only condition under which we could recommend a sale would be in the event of your getting into the absolutely safe class of investments.

Steel and Radiation

A. G., New York.—Is there any market in Canada for the stock of Steel and Radiation Company and what is the present condition of this concern?

The Steel and Radiation Co. has been reorganized as the Imperial Radiator Co. and the securities of the former company are exchangeable for securities in the latter. If you are holding Steel and Radiation shares would suggest that you take steps to have the exchange made. This can be done through the Montreal Trust Co., at its Toronto office, 51 Yonge Street.

Since the reorganization of the company as the Imperial Radiator Co. some progress has been made but conditions have been such in the building industry that competition for the reduced volume of business has been very keen and profits have been small. The company has been able to pay the interest on the first mortgage bonds and discharge current liabilities but it was not found possible to pay the first interest coupon on the second mortgage bonds due on January 1 this year.

The company reports that success has attended efforts to improve the efficiency of the plant, particularly in the pattern department, and that production is now on a satisfactory cost basis. No additional capital was put into the company at the time of the reorganization and financing has been done as regards working capital with the aid of the banks.

Some improvement is now noted in the demands for heating equipment and in this the company should share but success from the standpoint of the security holders depends largely on an increased volume of business in the future and an improvement in prices to cover a fair margin of profit.

Jamaica P. S.

A. B., Box 93, Victoria, B. C.—What is your opinion of the 7 per cent. preferred stock of Jamaica Public Service?

The 7 per cent. preferred stock of the Jamaica Public Service Company is well regarded. The company continues to show steady gains in earnings. The Jamaica Public Service has increased its present capitalization $250,000 of new preferred stock to rank junior to the present outstanding preferred stock and $250,000 of new common shares. Since that time the affairs of the company have made a substantial improvement. The fact that the company operates outside of Canada does not alter its security although it improves the yield somewhat, but the fact that it is situated in a British Colony is of importance. Not long ago the plant capacity of the company was doubled and a plan of customer ownership was extended.

German Bonds

F. J. C., Windsor.—What do you think of the bonds offered in the attached advertisement—1,000,000 marks for $1,500? Will the pre-war German bonds be redeemed at 2⅛ per cent. of their face value?

Judging from the prices quoted in the advertisement which you sent us, the advertisers must either be pirates or brigands. From reliable European bond dealers in Montreal, we to-day obtained a quotation of $970 for 1,000,000 marks. Your advertisement quoted these at $1,500. The same firm was quite willing to purchase 1,000,000 marks at $950—a spread of $20 between buyers and sellers.

A considerable portion of the pre-war German bonds will be redeemed at 2½ per cent. of their pay value; that is, a one million old marks bond, with a parity value of $238,000, will eventually be redeemed for $5,950 in the new gold marks. However, these bonds will not bear interest until such time as the war debt situation is finally settled. This is what lends speculative attraction to these issues.

The purchase of German bonds is an out and out speculation.

Mansfield Theatre

R. S. M., Toronto.—The offer of the Famous Players Canadian Corporation to the preferred shareholders of the Mansfield Theatres does not look particularly attractive to me. I had stock in Loew's Montreal theatre which I exchanged at a considerable loss for stock in the Mansfield Theatre. Now that the latter is beginning to make good, along comes this new proposition. What do you think of the deal?

Your attitude with regard to exchanging your Mansfield Theatre Company stock for half its par value in first preferred Famous Players Canadian Corporation seems quite reasonable.

As you say, the Mansfield Theatre is doing decidedly better and it would seem that eventually you can hope for a good deal more than you would obtain from the present exchange.

However, the Famous Players Canadian Corporation is not forcing you into this exchange—you do not have to turn in your stock unless you are so inclined. Of course, should you exchange your stock you would obtain securities which would bring you an annual 4 per cent. investment on your original stock. Such an exchange would doubtless prove satisfactory and attractive to those who purchased either Loew's Montreal or Mansfield Theatre stocks at low prices.

If you decide to retain your present holdings, you must of course realize that you would be holding more speculative securities than the present preferred shares of the Famous Players Canadian Corporation. If, however, you are prepared to speculate and willing to wait some time, we believe that you would be well advised to hold your Mansfield Theatre stock.

You will observe that the exchange offer made by the Famous Players does not bind the latter until at least 75 per cent. of the preference shareholders of the Mansfield Theatre accept the exchange. There is the possibility that many of these shareholders purchased their holdings at low levels and naturally the offer would prove attractive to them.

East Kootenay Power

J. P. M., Montreal.—Do you think that the East Kootenay Power bonds are a good investment?

The East Kootenay Power Company operates two plants in British Columbia with an installed capacity of 22,000 horsepower. Of this, 5,000 horsepower is sold to the Consolidated Mining and Smelting Company at Kimberley and to the Sullivan Mine. The remainder is sold to various coal mines in the districts and power is supplied to the towns of Fernie, Cranbrook, Bull River and Elko. The company owns 250 miles of high tension transmission lines. Demand for power in this district is increasing. The company's year ends on March 31, 1926. Earnings during the first ten months of the present fiscal year are running at the rate of twice the bond interest requirements. It is a good investment at present prices.

Connecticut Cottons

J. H. W., St. John.—What is your opinion of the preferred and common stock of the Canadian Connecticut Cottons?

Canadian Connecticut Cotton is engaged in the manufacture of cotton fabrics for the rubber tire industry. There are three companies in Canada engaged in this industry and probably one factory alone would be quite sufficient to supply the demand for tire fabric in this country. In other words, this industry is suffering from over-expansion.

Canadian Connecticut owns two plants in Sherbrooke, Quebec, one adjoining the other. The second and newest plant is hardly used at all—in fact, it is not equipped with machinery. For a long time the company has endeavored to dispose of this second plant.

Recently, one of the three competing tire fabric companies was acquired by the Goodyear Tire and Rubber Company. If the latter were large purchasers from the Canadian Connecticut Cotton mills in the past, the acquisition of the tire fabric mill would affect the earnings of Canadian Connecticut Cottons.

The dividend on the preferred stock is some 17 per cent. in arrears. Despite the handicaps under which the company labors, it has maintained an excellent liquid position.

Canadian Associate Companies

A. S., Ontario.—Will you be kind enough to let me have your opinion as to the wisdom of investing in a few shares of the Canadian Associate Companies, Ltd., Montreal; president J. H. Fortier, Quebec.

The Canadian Associate Cos., Ltd., has been organized to act as a holding company for the controlling shares of the Merchants' and Employers' Guarantee & Accident Co., a company transacting employers' liability and various classes of casualty insurance. Hitherto the operations of the company have been confined to the Province of Quebec, and the additional capital is being sought to enable the company to extend its agencies and transact business throughout the whole of Canada. In addition to acting as a holding company the Canadian Associate Companies operate as adjusters and claim investigators for each of the companies associated with the Merchants' and Employers' Guarantee & Accident Co., and a number of other insurance companies as well.

The directors and officers of the company are men of long and successful experience in the insurance business. These gentlemen direct the operations of the Toronto Casualty Fire & Marine Insurance Co., and the Canadian General Insurance Co. The Merchants' and Employers' stands to derive great benefit from the close association of these all Canadian companies whose combined resources including a surplus to policyholders of over $400,000 warrant reasonable expectation of an increasing share of public patronage.

The president of the new company is J. H. Fortier, an outstanding business man of Quebec, who is vice-president of P. T. Legare, Ltd., Quebec, and a director of Canada Steamships. The directors include Lt.-Col. C. H. Ackerman, director B. F. Ackerman Son & Co., Peterborough; A. E. Dawson, vice-president and general manager, Toronto Casualty Fire & Marine Insurance Co.; J. O. Linteau, general manager, Legare Automobile & Supply Co., Ltd., Montreal; and other men well regarded in the insurance and business community of Ontario and Quebec.

We would regard an investment in the Canadian Associate Companies, Ltd., as an attractive business proposition with the payment of the 7 per cent. dependent on the success of a well organized and well managed enterprise. The value of the common shares given as a bonus will, of course, depend on the company's future earnings. We would regard the prospects as attractive.

Current Opinion

TAXES AND SALARIES

Toronto Telegram: Taxpayers cannot be made to realize that the big salary paid to a strong head of a department may keep down the tax rate.

Nor can taxpayers be persuaded that the small salary paid to a weak head of a department may put up the tax rate.

Civic administrators may as well cease to dream that the day will ever come when ability in the service of big public business will ever command the salaries paid to ability in the service of big private business.

Salaries of $15,000 and upwards may be plentiful as blackberries on the payrolls of private business. These salaries will always be few, hard to reach and impossible to increase in the service of the city of Toronto.

TO PROTECT PUBLIC

L'Evenement: It is evident that our bankruptcy law still stands in need of considerable changes so that honest commerce may be protected to the largest extent possible and that our courts may be placed in a position to punish fraud with all the rigor that the offence merits. These modifications ought to be sought by the chambers of commerce and such commercial public bodies, for they know best what the existing law lacks and what defects it contains. Their suggestions might serve as the basis for the elaboration of amendments that would enhance the value of the Bankrupcy Act. This is an important question that ought to be submitted to the serious study of men who are experts in this matter in order to avoid having to submit the law to new changes every year.

AN INTOLERABLE SITUATION

La Presse: "The major portion of the electrical energy consumed in Ontario is produced by the provincially owned Hydro-Electric Commission, while, quite to the contrary, almost the entire electrical energy used in Quebec is developed by private companies. In consequence, the Ontario production, in a great part, is income tax free as against the payment of considerable sums by the Quebec companies, amounting to more than three-quarter million dollars annually for income tax alone.

"With us, the public will agree that this injustice cannot be tolerated any longer. The law must be revised as soon as possible. Not that we would suggest a re-establishment of the fiscal balance by a suppression of the income tax for the benefit of the privately owned hydro-electrical companies, as the Federal Treasury needs revenue. We would ask that the government impose a tax on the gross revenue of publicly owned enterprises, presently exempted from the tax on net revenue, which will produce a sum equivalent to that paid by private companies, so that all enterprises, privately or publicly owned, will be on the same footing with regard to the impost."

South Africa's Protective Policy

By ERIC H. LOUW, Trade Commissioner for South Africa in the United States and Canada.

In connection with our industries, I think I can say that South Africa is still in the infant stage. It is only since the Great War that South Africa found herself industrially and since that time industries have been springing up all over and a very large number of them have made good. The policy our government is following with regard to industries is one of protection for deserving South African industries. That policy was one of the main planks of the government at the recent elections and already the government has shown that it intends to follow up that policy by the tariff recently adopted by our parliament. Our policy of protection is not one of indisscriminate protection. It is protection based on common sense and business principles. We have a Board of Trade in South Africa of government officials, not politicians, to whom are entrusted the question of drawing up tariffs, etc.

We have a two line tariff, consisting of minimum and maximum duties. That two line tariff can be utilized either as a protective device or for bargaining purposes as between different countries. But what I want to impress on you is that we are very careful not to grant protection unless it is considered that that protection is deserved by the industry in question. If the Board of Trade decides that any particular industry deserves protection, then our government is prepared to back up an industry to the fullest possible extent in protecting it from overseas competition, from anywhere within or without the British Empire. We have what we call suspended duties. The suspended duties work like this. If at any time the Board of Trade finds that a particular industry no longer deserves protection—if, for instance, it is found that that particular industry is abusing protection at the expense of the consumer, if conditions of labor are found to be not what they should be in the industry, then for these and similar reasons that industry may wake up on a certain morning and find that the minimum duty has once more been put into force without reference to parliament. All the Board of Trade has to do is to report to the next session of parliament what it has seen fit to do.

You will see that this policy while carried out to the fullest extent where deserved, at the same time is not applied where it is found not to be deserved. That is our policy, and where I am addressing a meeting of manufacturers and exporters I would like to bring that to your notice and I would like to say that if there is any industry in which you are interested and which you may fear may meet with competition in South Africa, then my advice is this, that if you think there is sufficient demand open your own branch industry in the Union. That is what has actually been done. A number of British firms have already done that. Once you do that you are entitled to the full benefits of protection. We do not care who opens it as long as it is a genuine South African industry. You will also find that the raw materials required in that industry are allowed to enter free of duty.

POST-Scripts

A NEW version of the old story of the inventor who perfected some marvellous contrivance or process only to have others reap the reward in millions is being written in the case of George Campbell Carson, prospector and chemist, who in the California courts will actually gain milions as the result of a legal battle over blast furnace patent rights and royalties. The Carson litigation has been going on for nearly a decade. Carson, who prospected over the Nevada Hills with his pack burro twenty years ago, is now fifty-nine years old and not in good health. His fight has been carried on by a sincere body of men under an agreement which insures him the major portion of the winnings estimated now at some $20,000,000.

ONE of the most valuable collections of Chinese jade that ever crossed the Pacific was recently landed at Vancouver, British Columbia. Jade is a mineral deposit, a silicate of magnesia and lime. Collection referred to is owned by A. W. Bahr, a well known collector in New York, and is the result of nine months of excavation in the central and north-west provinces of China where the jade was taken from ancient boulders.

Each piece of jade has been used symbolically in corpse dressing, a sacred custom of Shang, Chou and Hau dynasties, dating from 1,000 B.C. to 300 A.D. Very recent discovery of these corpse dressings is an art revelation, says the Wall Street Journal, as the beautiful detailed carvings bear no relationship to the later and more banal jade carved to suit modern demand.

TO JUDGE by a story told the Canadian Export Club of Toronto recently by Hugh A. Chisholm, formerly Canadian Trade Commissioner to India, it would be difficult indeed to tell from outward appearances where wealth exists in that country. Mr. Chisholm tells that when he first went to India he heard of the wealthiest and most reliable paper merchant in the whole country. He went to see him and his shop was a filthy little place with a sewer running down through the middle. He said to himself this cannot be the famous paper merchant. He saw him there with just a loin cloth around his waist and his clerk working behind him and a big safe at the back and littered with samples all around. This man he found kept ten lakhs of gold in his safe—$350,000 worth of yellow metal in that strong box. He was a merchant of the old school who did not trust the banks and so lost interest on the Canadian basis of over $10,000 a year.

J. R. O'NEILL, M. P., sits in the House of Commons for North Timiskaming, a mining constituency in Northern Ontario. One wonders if his recent speech in the House was delivered for consumption by the electors back home. Certainly, the plethora of egregrious and even exotic words that clothed his herculean oratorical exercitation was sufficient to becloud the significance and import of his allusions. Manifestly, his verbiage would be unintelligble and almost incomprehensible to the ordinary mortal, equipped with the more graphic and ubiquitous word of every-day speech.

Here are some of the words and phrases used by Mr. O' Neill in his address:

Fabian	diatribist
sectarian	in potentia
inter-racial	recrimination
esprit	argumentum ad hominem
patine	redolent
cognizant	ex uno disces
apotheosis	sangrail
derogated	ratiocinations
phenocrysts	ascetic
urban complex	kaleidoscope
pathological	morbid
hobgoblins	werewolves
suppliants	gullibility
sensus communis	pre-natal
decretals	heterogeneous
Argus-eyed	obsecrations
subversion	Laodicean
physiognomical	suppresio veri
tapis	protagonists
confluence	lupus in fabula
beneficiation, etc.	nemesis, etc.

Whether by coincidence or with directness of significance, the next person to rise in the House was Hon. Ernest Lapointe and he moved the closure!

Ontario Government Loans Millions to the Farmers

In reply to a question in the Ontario legislature the minister of agriculture explained that the loans advanced by the Agricultural Development Board for the fiscal year ending October 31, 1924, numbered 819 for a total of $3,200,000. For the fiscal year ending October 31, 1925, the number was 701 for a total of $2,700,000.

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23

New Dominion Loan
—interest attractive and certain

4½% Bonds due February 1, 1946
Price: 97 and interest

The new Dominion Loan possesses, in the first degree, the several features that make bonds attractive:

Security of principal
Convenient interest collection
Ready market
Maximum stability

Denominations of $100, $500 and $1,000 meet requirements of all investors.

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BONDS - WE - RECOMMEND

Kingdom of Norway

5½% External Bonds, Due 1965

Bonds of the Kingdom of Norway have always been highly regarded. The excellent record of the Norwegian people in meeting their obligations justifies the high credit standing of the nation.

The principal industries are shipping, lumbering, fishing, electro-chemical, wood pulp and paper manufacturing. Hydro-electric energy has been extensively developed and the water power available is estimated at 15,000,000 h.p.

The wealth of Norway is estimated at $3,350,000,000 or 9½ times the total debt, which is very low, being only about $45 per capita.

Principal and semi-annual interest (June 1 and December 1) are payable in Dollars in New York. Bonds are in denominations of $1,000, registerable as to principal only, and are not subject to any Income Tax except that ordinarily paid to the Dominion Government in the case of residents of Canada. A circular giving further particulars will be sent upon request.

Price 96¾ and interest New York to yield about 5.70%

(Subject to prior sale and change in price)

The National City Company
Limited
Head Office — St. James and St. Peter Streets — Montreal
10 King Street East, TORONTO — 204 Union Bank Building, OTTAWA — 71 St. Peter Street, QUEBEC

120

News of the Investment Market

RECENT OFFERINGS HAVE NOT FILLED DEMAND FOR BONDS

General Feeling of Confidence Returns to Bond Market in U. S.

The pouring into the bond market of the recent Dominion issue, one or two large industrial offerings, and the occasional municipals that have been coming along in natural course, has not yet filled the gap of demand. There is still a large surplus of funds awaiting remunerative investment. Prices have strengthened somewhat and there is little resistance to the easing off in yields.

There is much speculation as to what will be the future trend of the bond market. Bonds have been appreciating steadily for the past few years and there are many people wondering whether the highest levels have already been reached. The general feeling held in the street seems to indicate that a good demand exists for high class corporation bonds as well as high class government securities. An appreciation in these is anticipated in many quarters, especially now that the stock market is attracting less attention and money rates have moved down again.

In the face of the recent drastic decline in stock prices, in fact the most drastic on record in a similar space of time, there was a general liquidation going on in the bond market. An immediate effect of big declines in stock prices is a recession on bond prices, as many stock speculators have part of their funds in bonds, which because of their relative firmness, they sell to protect their marginal accounts, where sometimes there is little or no market.

The technical position of the stock market is much better now, and with existing lower money rates which usually accompany price declines as a result of changing economic conditions, an appreciation in the price of high grade securities is to be expected. It has been reported that the shelves of investment bankers are slightly overstocked with corporate and foreign securities. This condition is more apparent in the United States than in Canada, and is not serious even there.

During the last few days the bond market has rallied considerably and a general feeling of confidence is again spreading. It is interesting to note that in the recent decline, speculative and convertible bonds showed greatest weakness. Of course the Interstate Commerce Commission's disapproval of the Nickel Plate Merger caused considerable uneasiness in the railway groups. These have since rallied considerably.

The new United States Treasury $500,000,000, 20 year, 3¾ refunding loan with a price of ½ of 1 per cent. above par has caused considerable comment. The first response was an advance in the existing United States government bonds, several of which reached new heights for the year. One conclusion drawn was that the new loan would indirectly sustain the value of other investment bonds since fiduciary institutions are taking the bulk of the treasury offerings so that private investors will necessarily be directed to other high grade bonds with a larger yield. The exception feature would appear to make the new issue particularly attractive for corporations.

Rumors are current of a new $100,000,000 Belgium loan, half of which will be floated in America and half in England.

NEWMARKET BOND ISSUE

An issue of $100,000 of debentures has been authorized by the Town Council of Newmarket for the erection of a new wing in connection with the high school building. The expenditure was ratified recently. Of the total cost, $75,000 will be paid by the county and the townships. Work will commence at once.

Consult Your Broker

MONTREAL. — The advertising, and unfortunately the sale of certain foreign bonds at prices far in excess of their real market value continues. Every week or two there appear advertisements in the local press setting forth the wonderful opportunity open to the investor who is willing to sign his name on the dotted line and obtain his twenty million mark bond of the City of Schleiswigginhoofenstein —or it may be some other better known town in Germany. The trouble is not these bonds have no market value, but simply that in many instances they are sold at prices ridiculously higher than the current market price in New York.

This works a hardship on reliable firms who are willing to either buy or sell these German bonds to speculators and who are always willing to quote prices either for buyers or sellers in accordance with the daily fluctuations of the New York market for such securities.

But to get down to concrete cases. Some days ago there appeared in a Montreal newspaper an advertisement offering 1,000,000 mark, 4½ per cent., 1919 bonds of the City of Hambourg at $550. The Financial Post immediately obtained a quotation on these bonds from reliable European bond dealers of $200 for sellers, and $180 for buyers. The Financial Post then got in touch with the advertiser referred to and confirmed the quotation of $550 for these 1,000,000 mark bonds. But The Post was unable to obtain any selling quotation whatever from this firm, and so the old game goes on and on and on......

For those who wish to speculate in German bonds, there is only one proper course of action. First of all make sure that the firm dealing in such securities is perfectly willing to both buy and sell, then rigid enquiries as to their reliability should be made.

INTERESTING ISSUES

Southern Canada Power Bonds Yield 5.20 at Present Price

To those looking for a safe and reasonably remunerative investment, the 5 per cent. first mortgage bonds of the Southern Canada Power Co. have many features in their favor. These bonds were issued last October to refund the then existing 6 per cent. bonds. The total amount of the issue was $6,000,000. At the present price of 97 the yield is 5.20 per cent.

The operations of the Southern Canada Power Co. are expanding very rapidly. The company was incorporated in 1913 under Dominion charter, taking in a large number of light and power companies operating in Eastern Townships of Quebec, and over the border in Vermont. It also acquired several municipal and privately owned plants and distribution systems. At the end of 1924 it was supplying light and power to 64 municipalities in the area of Southern Quebec between the St. Lawrence River and the United States border. The number of customers at that time was nearly 17,000. It is now over 18,000. The total population of the area served is about 400,000. The area is rich and progressive and the number of customers served is constantly increasing, with excellent prospects for the future.

The property of Southern Canada Power consists of several hydro-electric plants which in the next few months will have a developed capacity of 45,000 h.p., and undeveloped power capable of a further development of 130,000 h.p. Water powers are owned chiefly along the St. Francis River and the chief developments are at Sherbrooke, Drummondville and Hemmings Falls. They are held under lease from the provincial government for a period of 75 years from 1917 at quite favorable rentals. The company has more than 300 miles of transmission lines.

Southern Canada Power has been a leader in the movement towards customer and employee ownership in Canada. A very wide distribution of the securities of the company has been made among these served with light and power all through the district, and in this way company prestige is built up which is a valuable asset. Furthermore large blocks of the securities have been sold to the thousands of employees of the company. In this way, an employee morale and a pride in the company is built up. All this will react favorably both on the operations of the company and on the securities themselves.

The present bond issue is supported by a large equity. The actual investment in plants alone is valued at $15,000,000. In addition, the company owns developed water powers to the extent of 54,000 h.p. and 106,000 h.p. in undeveloped water power sites. The present market value of the company's outstanding stock is over $8,000,000 while the present issue totals only $6,000,000.

The trust deed covering the present issue provides that the remainder of the bonds may be issued only to the extent of 75 per cent. of the cost of any extension or addition to the property. However, $5,000,000 of these bonds, which are held in the treasury, may be sold to cover the actual cost of any additions to the property. The deed also provides that additional bonds may not be issued unless earnings are at least 1¾ times the bond interest requirements. Provision is also made for the setting aside of 15 per cent. of the company's annual gross revenue for maintenance and sinking fund. Of this, half must be used for maintenance and renewals and the other half for either permanent additions to property or to retire the present bond issue.

Earnings of the company during the past year have been very satisfactory, exceeding twice the bond interest requirements. There is every prospect that they will increase annually.

VERSAILLES-VIDRICAIRE-BOULAIS
LIMITED,
Investment Bankers
MONTREAL QUEBEC OTTAWA
Quebec Municipals and Industrials a Specialty

We recommend and offer
HUMBERSTONE SHOE CO., LTD.
8%
Cumulative Redeemable Sinking Fund Preferred Stock
PRICE: 100 and accrued dividend, yielding 8%
With each share of Preferred, the purchaser is entitled to buy One Share of Common Stock at $35.
H. R. BAIN & Co. LTD.
Government, Municipal and High Grade Corporation Bonds
371 Bay Street, Toronto

WESTERN CANADA FLOUR PREFERRED TO RETIRE BONDS

Wider Distribution of Securities May Increase Market For Products

A new issue of preferred stock and a common issue have been proposed in connection with a reorganization of the capital structure of the Western Canada Flour Mills Co. The shareholders have been asked to meet on March 22 to pass upon the reorganization plan as submitted at that date. The outstanding feature of the change is the retirement of the total outstanding bonded indebtedness of the company and in order to accomplish this the preferred stock is suggested. The plan also involves changing the 50,000 shares of common now outstanding for 300,000 shares without par value. A second by-law will be submitted to change and re-divide half of the new common stock into 30,000 6½ per cent. cumulative preferred shares of par value of $100.

The ostensible reason for the reorganization suggested is to retire the bonded indebtedness of the company without increasing the charges. It is also hoped that the change will have the effect of giving the shares of the company a wider distribution in Canada, and hence enlarging the domestic market for the company's products.

Western Canada Flour has now outstanding $448,000 in 6 per cent. first mortgage bonds, $322,000 in first and refunding bonds, and authorized capital of $5,000,000 of which $2,875,000 has been issued. The bonds are being retired by the sinking fund at the rate of $100,000 a year and carry interest of approximately $54,294 per annum.

Will Have Larger Yield

As already indicated it is proposed to issue 30,000 shares of cumulative preferred stock. This is to be given to the present common stockholders, along with the new shares, at the rate of $60 par value of preferred and three shares of new common for each $100 par of the old stock. The company would then have outstanding $1,725,000 preference shares and 86,250 no par common shares. To obtain further funds for the purpose of retiring the bonds it is suggested to sell an additional $775,000 of the preferred, thus making a total of $2,500,000.

Assuming the completion of these changes in the capital structure, the company would have to pay $162,500 in dividends on preferred, and $120,750 on the common, making a total of $283,250. At the present time, bond interest calls for $54,294 and dividends, $230,000, making a total of $284,294. The payment on new common shares will be $1.40 per year, and this, with the new preferred dividend, will give shareholders a return of 8.10 per cent. against 8 per cent. under the present system. It is stated that provision for the retirement of the preferred will be made at the rate of $25,000 per year. As the sinking fund requirement in connection with the bonds is $100,000, there will be a saving of $75,000.

MANITOBA POWER BONDS

The Manitoba Power Co. has issued notice to holders of Series A first mortgage bonds that the entire outstanding bonds of this issue will be redeemed on the 1st of May at 105 and accrued interest. Redemption is carried out at the leading offices of the Bank of Montreal in Montreal, Toronto and Winnipeg.

DOMINION OF CANADA
New 4½% Bonds
Due February 1st, 1946
PRICE: 97 and interest, yielding 4.73%
Campbell, Thompson & Co.
Investment Bankers
293 Bay Street Toronto

GOVERNMENT and MUNICIPAL BONDS
W. L. McKINNON & Co.
GOVERNMENT AND MUNICIPAL BONDS
McKinnon Bldg. TORONTO

We recommend
ITALIAN PUBLIC UTILITY CREDIT INSTITUTE
7% Bonds
A First Mortgage on six Italian Hydro-Electric Properties and their transmission systems appraised at 200 per cent. of the amount of the mortgage.
Price to yield over 7.60%
Circular on application.
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We are active in all foreign issues.
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Bonds, Stocks, Insurance and Real Estate
Specialising in B.C. mining issues
Vancouver, B.C., Rogers Bldg. — Victoria, B.C. — New York, 47 Broadway

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TORONTO
Canada

ITALIAN PUBLIC UTILITY CREDIT INSTITUTE
Hydro-Electric Issue
External 7% Secured Sinking Fund Gold Bonds
Due 1st January, 1952
Principal and interest payable in New York.
Price: 93 and interest, to yield 7.60%.
Descriptive circular on request.
MATTHEWS & COMPANY LIMITED
255 Bay Street, Toronto

We own and offer
Milton Brick Ltd., 6½%
First (Closed) Mortgage Sinking Fund Gold Bonds
Due April 1st, 1935 / April 1st, 1940
Interest payable half-yearly. April 1st and October 1st.
Price on Application.
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31 Main St. E., HAMILTON, ONT.
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171 St. James St. MONTREAL

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Specializing in
Government Municipal and Corporation Bonds
METROPOLITAN BLDG.
ADELAIDE 6877-78 TORONTO

ANNUAL REPORT

BRITISH COLUMBIA FISHING & PACKING CO., LIMITED

OFFICERS

W. H. BARKER ... *President* — J. H. WHITEHEAD *General Mgr.*
AEMILIUS JARVIS *Vice-President* — L. DOUCET *Secretary-Treasurer*
AEMILIUS JARVIS, JR. .... *Assistant Secretary, Toronto*

DIRECTORS

W. H. Barker, Vancouver; Aemilus Jarvis, Toronto; C. Sweeny, Vancouver; Sir Henry M. Pellatt, Toronto; H. H. Morris, Vancouver; J. M. Whitehead, Vancouver; E. E. Evans, Vancouver; E. W. Rollins, Boston; Milton L. Hersey, Montreal; Mark Workman, Montreal; Geo. H. Smithers, Montreal; A. C. Flumerfelt, Victoria.

BALANCE SHEET AS AT DECEMBER 31st, 1925

ASSETS

Fixed:				
Real Estate, Buildings, Cannery and Cold Storage plants, Hatchery, Saw Mills, Equipment, Brands, Etc.				$3,387,742.51
Less Reserve for Depreciation				993,106.25
				$2,394,636.26
Quick:				
Investments:				
Victory, Municipal and Industrial Bonds at par value			$279,633.20	
Cash on Hand and in Banks			323,277.10	
Inventories:				
Stores, Nets, Cannery Supplies, Lumber and Logs			461,180.87	
Canned Fish (sold but undelivered, $524,390.95)			561,116.75	
Accounts Receivable, less provision for doubtful accounts			445,471.03	
				2,070,678.95
Shares in and Advances to Other Companies (less provision for losses thereon)				307,894.91
Unexpired Insurance				6,455.90
Advance Expenditure for 1926 Pack				32,614.54
				$4,812,280.56

LIABILITIES

Current:				
Accounts Payable and Accrued Taxes				$ 161,036.91
Equity of Shareholders:				
Capital Stock paid up			$4,291,800.00	
Insurance Reserve			102,921.90	
Operating Profit for the year 1925 before making provision for depreciation and accrued taxes		$578,654.46		
Deduct:				
Provision for depreciation of physical assets and investments in other companies and for estimated losses on foreign exchange	$147,040.38			
Provision for accrued taxes	77,394.05			
		224,434.43		
Net Profit for year 1925		$354,220.03		
Add Surplus as per Balance Sheet, December 31, 1924		5,223.62		
		$359,443.65		
Deduct amount transferred to Insurance Reserve		102,921.90		
Earned Profits available for Dividends, etc.			256,521.75	
Equity of Shareholders				4,651,243.65
Contingent Liabilities:				
Time and Sight Bills and Drafts on Customers discounted with Bankers			$212,900.94	
Loans guaranteed on behalf of associated company			118,000.00	
			$330,900.94	
				$4,812,280.56

Signed on behalf of the Board of Directors: W. H. BARKER, Director. J. M. WHITEHEAD, Director.

CERTIFICATE OF AUDITORS

We have audited the accounts of the British Columbia Fishing & Packing Company, Ltd., for the year ended December 31, 1925, and report that we have obtained all the information and explanations we have required.

The provision made by the Company during the year for depreciation of its physical assets and for all losses capable of being estimated, is, in our opinion, adequate. As a result of our examination of the inventories, we feel satisfied with the values placed thereon. The amount of $102,921.90 shown in the 1924 Balance Sheet, representing unearned appreciation, has been transferred by the Directors to Insurance Reserve.

In our opinion, the foregoing Balance Sheet, which has been submitted to us for audit, is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, as at December 31, 1925, according to the best of our information and the explanations given to us and as shown by the books of the Company.

Vancouver, B.C., February 15, 1926.

PEAT, MARWICK, MITCHELL & CO., Chartered Accountants.

To the Shareholders of the British Columbia Fishing & Packing Co., Ltd.

Dear Sirs:—

I beg to submit my report of the operations of your Company for the year of 1925, on behalf of the Board of Directors.

CAPITALIZATION: The authorized capital of the Company is $5,000,000.00 of par value of $100.00 per share, of which there are issued 42,918 shares, leaving 7,082 shares in the treasury.

AUDIT: The books of the Company have been audited by Peat, Marwick, Mitchell & Co.,—their certificate herewith.

PACKS: The Company operated fifteen Canneries, one Mild-Curing Plant, one Saw Mill and one Cannery at Point Roberts, Washington, and packed:

112,690 cases Sockeye Salmon
23,622 cases Spring Salmon
34,484 cases Cohoe Salmon
77,360 cases Pink Salmon
40,136 cases Chum Salmon

a toal of 288,292 cases in British Columbia, and
and 30,816 cases at Point Roberts, Wash.,
and about 490 tons Mild-Cured Salmon.

PLANTS: We operated fifteen Canneries the past season, all of which are kept in good condition.

MARKETS: We are pleased to report that the markets were in much better shape and better prices were obtained for the higher class goods. Stocks are about cleaned up

Respectfully submitted,
W. H. BARKER, President.

Vancouver, B.C.
February 18th, 1926

Municipal and Provincial Finance

Bloor-St. George Realty Limited

First Mortgage Security

7% for 20 Years

In Toronto nearly all the best apartment houses are completely filled. To satisfy the urgent demand for high-class accommodation, "The St. George" will be erected at Bloor and St. George Streets—the centre of a select residential district. This splendid apartment house, containing 79 suites, will be thoroughly modern in appearance and in interior appointments.

The 7% first (closed) Mortgage bonds, which we now offer, represent only 59% of the property valuation. This is an attractive investment, with a liberal interest return for 20 years.

100 and accrued interest, to yield 7%.

Write for Prospectus.

Gairdner & Co., Limited 312 Bay Street Toronto

Stewart, Scully Co., Limited 1004 Royal Bank Bldg. Toronto

Net Dominion Debt Down $31,517,110 in Past Year

But Marginal Increase Has Taken Place During January—Gross Debt Down $40,000,000

An increase of $647,273 in the net debt of the Dominion of Canada took place during January, but a reduction of $31,517,110 was effected in the net debt during the past year. The total net indebtedness now stands at $2,380,679,297 and the gross debt is $2,848,501,975. Following are the details of the statement:

Public Debt, February 28 — Liabilities	1925	1926	1925 $	1926 $
Funded Debt—				
Payable in Canada			1,898,743,418	1,921,285,912
Payable in London			336,001,469	311,668,136
Payable in New York			300,874,000	280,874,000
Temporary Loans			5,863,435	201,000
Bank Circulation Redemption Fund			6,339,376	5,894,274
Dominion Notes			213,182,412	209,058,885
Savings Bank—	1925	1926		
Post Office Savings Banks	$23,727,618	$23,257,597		
Dominion Gov't Sav. Banks	8,732,524	8,575,284		
			32,460,142	31,832,881
Trust Funds			14,186,529	14,435,613
Province Accounts			11,919,990	11,919,990
Miscellaneous and Banking Accounts			68,436,901	61,331,281
Total Gross Debt			2,888,007,677	2,848,501,975
Investments— Assets	1925	1926		
Sinking Funds			38,965,391	41,885,059
Other Investments	$648,909,801	$655,365,195		
Less Non-Active	556,276,147	564,217,527		
	92,633,654	91,147,667	92,633,654	91,147,667
Province Accounts			2,296,173	2,296,173
Misc. and Banking Accounts	399,339,972	389,648,097		
Less Non-Active	57,423,923	57,154,320		
	341,916,049	332,493,777	341,916,049	332,493,777
Total Active Assets			475,811,269	467,822,678
Total Net Debt Feb. 28. No credit has been taken for non-active assets			2,412,196,407	2,380,679,297
Total Net Debt Jan. 31. No credit has been taken for non-active assets			2,415,471,564	2,380,032,023
Increase of Debt			....	647,273
Decrease of Debt			3,275,156	....

This Week's Bond Sales

CITY OF REVELSTOKE

An issue of $60,000, City of Revelstoke, 5 per cent. debentures, maturing $4,000 yearly, from August, 1927 to 1941, has been awarded to C. H. Burgess & Co., on a bid of 97.07. The bids were:

C. H. Burgess & Co.	97.07
Royal Financial Corp.	96.13
Royal Securities Corp.	95.47
McLeod, Young, Weir & Co.	95.14
W. L. McKinnon & Co.	95.00
R. H. Christy & Co.	94.07

OSHAWA ISSUE

J. A. G. Clarke & Co. were the successful tenderers for an issue of $226,084, City of Oshawa, 5 per cent., 10, 15 and 20-instalment debentures, on a bid of 99.87. Following are the bids:

J. A. G. Clarke & Co.	99.87
A. E. Ames & Co.	99.35
Bell, Gouinlock & Co.	99.23
Gairdner & Co.	99.182
C. H. Burgess & Co., MacNeil, Graham & Co.	99.02
Wood, Gundy & Co.	98.85
H. R. Bain Co.	98.81
R. A. Daly & Co.	98.77
Dominion Bank	98.77
Municipal Bankers' Corp.	98.69
McLeod, Young, Weir & Co.	98.21

UNLISTED BONDS

(Montreal Stock Exchange)

	Bid	Asked
Abitibi 6% 1940	102	...
Alabama 5% 1962	118	120
Algoma Steel 5% 1962	30	31¼
Belding 5% 1936	85	..
Belgo Can. Paper 6% 1943	100½	101
Brand-Henderson 5% 1939	90	...
Burns, P. & Co. 6½% 1943	102⅞	104
Can. National Rly. 5% 1954	101⅝	102⅛
Calgary Brewing 5% 1942	83	...
Can. Steamship Lines 7% 1942	104	104¾
Can. Pacific Rly. 5% 1934	100	100½
Can. Pacific Rly. 4½% 1944	94	94½
Can. Steel Foundries 6% 1936	100	...
Dom. Iron 5% 1939	60¾	62
Dom. Textile 6% 1949	106	...
East. Koot. Power 7% 1942	102¾	...
Frontenac Brewing 6% 1951	96	...
H. Smith Paper 7% 1941	100½	101
Laurentide Power 5% 1946	100	...
Laurentian Power 6% 1936	100¼	...
Man. Power 7% 1941	105	...
Montreal Steel Works 6% 1940	100	...
Prov. of Ontario 5% 1948	100½	102⅜
Ontario Pulp 6% 1931	107	...
Price Bros. 6% 1943	102½	102⅜
Quebec Power 6% 1953	103	104
Walmsley, Chas. 6% 1943	96¾	...
Winnipeg Elec. 6% 1954	97½	98½
Sherbrooke Rly. 5% 1940	77⅝	...
St. Law. Sugar 6% 1932	92	...
St. Maurice Power 6½% 1953	109	...

BOND MOVEMENTS OF THE WEEK

Week Ending March 9

Bonds—	Int. Rate	Due	Yield	Range, 1925 High	Range, 1925 Low	Range, 1926 High	Range, 1926 Low	Latest Price Ask	Latest Price Bid	High	Low
Can. Canners	6	1950	6.40	96¼	90	95½	94	95	94¾	95	..
Calgary Power	5	1940	5.91	89⅝	87	91⅛	91⅛	91⅛	..	91⅛	..
Cons. Rubber	6	1946	5.83	101	95	102	101⅜	102	..	102	..
Montreal Trams. (A)	5	1955	5.44	98¾	92¾	93½	92½	93⅝	93	93½	93
Montreal Trams	5	1941	5.13	98	94⅞	98½	97¼	98¼	..	98½	98¼
Penmans	5	1926	5.00	99	98	100	99⅛	..	98½	100	..
Quebec Rly.	5	1939	5.51	98	89¾	95	91⅞	94⅝	94½	95	94½
Steel of Can.	6	1940	5.31	106	103	107½	106	107	..	107	106½
Wayagamack	6	1951	6.31	98¾	84¾	96¾	92	..	96	96	..
War Loan	5	1931	4.55	102.65	101.10	102.40	101.80	102.30	102.15	102.05	101.85
Do.	5	1937	4.51	104.95	103.80	104.65	103.85	104.55	104.45	104.45	104.20
Victory Loan	5½	1927	4.11	103.15	101.70	102.50	101.80	102.25	102.10	102.15	101.80
Do.	5½	1933	4.55	107.00	105.10	106.80	105.10	106.05	105.90	106.00	105.75
Do.	5½	1934	4.93	104.80	103.20	104.10	103.20	103.90	103.75	103.90	103.70
Do.	5½	1937	4.52	110.00	108.15	109.30	108.55	109.10	108.95	108.95	108.75
Do., Refund.	5	1928	4.60	104.45	100.15	101.30	100.55	101.00	100.85	100.75	100.55
Do.	4½	1940	4.84	97.25	92.20	96.70	96.00	96.35	96.15	96.50	96.00
Do.	5	1943	4.83	102.90	101.15	101.95	101.40	101.65	101.60	101.80	101.60
Do.	4½	1944	4.70	97.75	96.20	97.15	96.10	96.45	96.15	96.65	96.10
Do., Renewal	5½	1927	4.60	102.95	100.80	101.95	101.20	101.55	101.50	101.35	101.20
Do.	5½	1932	4.85	104.20	102.60	103.40	102.65	103.30	103.20	103.30	102.80

WINNIPEG LOWERS NET CITY DEBT BY OVER $36,000

Sinking Fund Committee Make Creditable Report of Year's Work

WINNIPEG. — Winnipeg's gross debt at the close of the year 1925 was $55,424,466, and its net general debt $5,112,172, according to the statement issued by its sinking fund trustees and submitted to the city council. The figures relating to the city's debt are arrived at as follows:

Gross debt of city Dec. 31, 1925		$55,424,466
Deduct—		
Utility and other special debts	$45,712,209	
Gen. sink. fund	4,600,084	
(Total $16,784,072).		
Net gen. debt		$ 5,112,173

The statement is illuminating in that it shows what may be accomplished by a well-managed sinking fund. Going back to 1914, Winnipeg's sinking fund was $4,609,086; its gross debt at that time was $41,802,918 and the net debt $37,193,831; at the close of 1925, while the gross debt had increased to $55,424,466, approximately an increase of $14,000,000, the net debt had only increased by just a little over a million dollars, owing to the fact that in the intervening years the sinking fund had almost quadrupled and had reached the large sum of $17,190,112.

In addition to doing this the sinking fund has also built up an investment reserve for itself of $500,000; has commuted levies to the amount of $890,021; has given $400,000 to the city's pension fund and has also established for the city a reserve for uncollectible taxes which now amounts to $400,000.

Operation Costs Low

Its expense of operation has been kept uniformly low and is only one-tenth of one per cent. of the total sinking fund. Total moneys received during 1925 by the sinking fund trustees were $3,583,334 which was applied as follows, accumulated sinking fund for the retirement of maturing debentures $571,788; investments made during the year including interest to date of purchase $2,746,429; salaries, trustees, legal and audit fees, exchange, advertising, excise taxes and general administration $17,457; city of Winnipeg, reserve for uncollectible taxes $200,000; cash in bank at December 31, 1925, $47,659.

Total assets at the credit of the sinking fund increased during the year by $1,363,961. The city's gross debt during the year increased by $1,436,681, but the sinking fund on hand, including the sinking fund invested by the school-board, which is applicable to debentures issued by the city for the school board, and included in the gross debt of the city increased $1,473,009 making a reduction in the net debt for the year of $36,328. It is also pointed out that of the debentures issued during the year with the exception of $150,000 issued for schools, only a very small portion will be a charge on the city at large. The new debt includes $1,100,000 for Hydro-Electric, $100,000 for waterworks and $50,000 for street lighting and the balance covers the cost of the local improvements. For every $1,000 the city owes the trustees own securities of the highest grade to the amount of $303. Winnipeg is making full provision for the retirement of its debt at maturity and if the yearly expenditures are limited to the amount taken in, the financial position of the city should continue to improve.

Tenders and By-Laws

March 24, Town or Salaberry de Valleyfield, P.Q.—$175,000, 5 per cent., serial bonds. L. J. Boyer, city clerk.

March 23, Village of the Basin of Chambly, P.Q.—$70,000, 5 per cent. serial bonds. R. Perrault, secretary-treasurer.

March 15, Pembroke.—$60,574, 5 per cent., 10 and 30-year debentures. D. W. Blakely, clerk-treas. (See announcement on page 16.)

March 19, County of Norfolk.—$35,000, 5 per cent., 15-instalment bonds. Jonathan Porter, treas., Simcoe. (See announcement on page 16.)

April 8, Saskatoon.—$109,730, 5 per cent., 10, 15, 20 and 30-year debentures. Andrew Leslie, city commissioner. (See announcement on page 16.)

March 15, New Toronto.—$119,905, 5½ per cent., 5, 10, 15 and 20-instalment local improvement and school bonds. W. B. Curtis, treas.

March 15, Barton Township.—$8,131, 5½ per cent., 10-year pavement bonds. S. G. Sims, clerk, court house, Hamilton.

SASKATCHEWAN

List of Authorizations Granted by the Local Government Board From Feb. 20 to Feb. 27, 1926.

Schools—Jubilee, No. 1112, $2,850; Silver Vale, No. 2065, $1,850; Norfolk, No. 47, $5,200; Kenilworth, No. 1711, $1,000; Favorite, No. 718, $2,000; Kramer, No. 2822, $3,500; Finlayson, No. 1883, $4,300; Radford Lodge, No. 2197, $1,200.

New Issue

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FORT ERIE ABANDONS SINGLE TAX SYSTEM

Village Would Have Lost Heavily Through Exemption on Proposed Bridge

After five years of experiment with the single tax, the village of Fort Erie has decided to abandon that form of taxation on the ground that it keeps capital from going into town lots. The council has unanimously voted to repeal the system.

Under the single tax system improvements were exempted up to 20 per cent. for the first year, 40 per cent. for the second year and so on. The maximum exemption was 80. Since the system had been in force for about five years, nearly all the improved property was now enjoying the maximum exemption of 80 per cent. At the time of the passing of the Act it was felt that it would encourage people to build and improve their real estate holdings but the market for vacant property has been depressed to a remarkable degree.

In addition to disappointment in the operation of the tax with regard to such property as has been mentioned, the situation is altered by the coming of the new Fort Erie bridge. The bridge is being built at a cost of approximately $4,000,000 and will be assessed at around $1,000,000. This would mean that under the old law, for the first year the exemption would be 20 per cent., and by the end of four years this exemption would have jumped to 80 per cent. The loss to the town would thus be heavy. This is probably the factor which brought the matter to a head and helped the council decide upon an immediate change.

The rate of taxation has been 76 mills but it is expected that this will be reduced to about 35.

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Ontario's Profits on The Sale of Liquors

Answering a question in the legislature, Attorney General Nickle gave the profit from the liquor dispensaries in Ontario as follows:

1919 (seven months), $376,094.02; 1920, $820,540.38; 1921, $702,064.68; 1922 (ten months, change of year), $768,996.59; 1923, $988,453; 1924, $877,294.29; 1925, $846,823.

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Montreal Tramways 5's [illegible]
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WEEKLY RECORD OF CANADIAN FINANCING

Place — Bond Sales—	Date	—Sold To—	Rate	Maturity	Amount	Price	Yield
		MUNICIPAL					
Oshawa	Mar.	J. A. G. Clarke & Co.	5%	10-15-20 yr.	$226,084	99.87	...
Revelstoke	Mar.	C. H. Burgess & Co.	5%	1941	60,000	97.07	5.20
Port Dalhousie	Mar.	C. H. Burgess & Co.	5½%	1946	8,050	98.57	5.17
Burnaby District	Mar.	Wood, Gundy & Co.	5%	1941	108,500	98.15	5.18
		CORPORATION					
Sisters of Providence	Mar.	Credit Anglo-Francais	5½%	1946	40,000	100	...

Insurance for Buyer and Seller

NEW ANGLE ON OLD TOPIC; ENDOWMENT OR STRAIGHT LIFE?

What Will Build the Biggest Estate Discussed on New Lines

Protection or investment? The question that comes to every young man of choosing between the most insurance for the money in the form of whole life or 20 pay life and a combination of protection and investment in the form of endowment insurance is one that is not always easy to answer. Endowment insurance used to have greater popularity than now; then "cheaper" policies came into vogue. Now insurance men see signs of a swing back to endowment policies.

A new slant to the question is given by Arthur Millard, in the Magazine of Wall Street. He works out a case for an alternative; the purchase of, say, $10,000 of whole life protection as opposed to $10,000 of endowment and investment of the difference in the annual premiums in 6 per cent. bonds.

Two comments suggest themselves on this plan. One is the definiteness of the annual investment under the endowment plan as against the purchase of bonds; which requires a systematic attention many young men will not give. Second, is the fact that dividends would have to be considered if participating insurance were bought.

The plan is described as follows:

Bargain hunting in the insurance field is not a very exciting sport, but it has a more comforting reward in dollars and cents gain. Let us assume that Mr. Bargainhunter is a young man twenty-five years of age who has decided that he can comfortably devote $400 a year out of his income for insurance and investment. As he has never bought insurance before and up to this time has not laid aside anything for the future, his first consideration is to obtain the greatest measure of protection for Mrs. Bargainhunter. So he at once turns to insurance. He learns that with his $400 a year he can buy $10,000 worth of 20-year endowment insurance with a good company on a non-participating basis. At the end of twenty years, the company agrees to pay him $10,000 cash with several interesting alternatives. He discusses the proposition with Mrs. Bargainhunter and both agree that the conditions of the policy give them everything that they want—protection and investment.

Then Mr. Bargainhunter sits down and does some rapid calculating. He reflects to himself that the desirability of insurance for protection is unquestionable. But will the policy which he has intended to buy serve two purposes, equally as good as one? Suppose he should select some other medium for the investment end of his program and stick to insurance solely for protection. How would he fare under such a plan?

Whole Life Cheaper

Upon inquiry he learns that the cost of an ordinary life policy would be $15 a thousand in the same company that issues the endowment insurance at $40 a thousand. There is, of course, no question of losing any security because the same old line company issues both policies. As far as the protection is concerned, Mrs. Bargainhunter will be just as secure with the one policy as she would be with the other. He would save $250 a year which he could devote to the purchase of stocks, bonds, shares or some other medium of investment and still have $10,000 worth of insurance protection for his family. This $250 a year invested at 6 per cent. with interest compounded anually amounts to $8,250 in twenty years. The cash surrender value or loan value of his policy is $2,130 after twenty years making a total of $10,380 which he could obtain in cash as compared with the flat $10,000 that he would receive from the endowment policy. So far the insurance-investment proposition looks O K to Mr. Bargainhunter.

The next consideration is how will his family fare in the event that he should pass away before the period of twenty years. With the endowment policy, of course, the amount of protection is $10,000 in any year during the twenty year period in the event of death. With the ordinary life policy the protection in the event of death is also $10,000, but Mrs. Bargainhunter would receive in addition the investment fund which is building up at the rate of $250 a year plus interest. After ten years this additional protection amounts to $3,250 and in the twentieth year to $8,250. Consequently, should he die at the end of this time his family would receive almost twice as much under the investment-insurance plan as with an endowment policy, both costing the same amount each year.

Other Considerations Involved

Before definitely making his decision, there are several other things that Mr. Bargainhunter figures out. What will happen if he were compelled to discontinue his annual $400 appropriation at any time during the twenty years? He learns that the endowment policy has a cash surrender value of $3,900 at the end of ten years. Then he compares the other plan and calculates that his accumulating investment fund will amount to $3,350 in ten years and his ordinary policy has a cash surrender value of $840; making a total of $4,190. In fact, in each year he finds that he would be a little ahead on his ordinary life should he be compelled through unfortunate circumstances to discontinue either of the two plans.

Now, what would happen at the end of the twenty years, should Mr. Bargainhunter still live? Under the endowment plan he would have $10,000 to invest which earns an income of $600 a year, but his estate is then limited to $10,000. Under the insurance-investment plan, Mr. Bargainhunter also figures on putting an end to the $400 yearly payments after twenty years and finds that he stands with an $8,250 investment fund plus $10,000 worth of insurance that is costing $150 a year. At 6 per cent., his income from the investments is $495. He pays his life insurance out of this income and after deducting $150 has $345 a year to do with as he pleases; his insurance being paid for until his death out of his investment income. While his income under the insurance-investment plan is, therefore, $225 less, the net worth of his estate is $18,250 instead of $10,000 under the endowment plan, and the income which his family would receive from the estate at 6 per cent. would be $945 a year instead of $600.

Which of these two plans do you suppose Mr. Bargainhunter selected?

Two Ways of Using an Annual Appropriation of $400

Net Worth	20-year Endowment	Ord. Life plus Bonds*
Cash value age 35	$3,900	$4,190
In event of death at 35	10,000	13,250
Cash value age 45	10,000	10,380
In event of death at 45	10,000	18,250

*Based on value of policy plus $250 invested annually at 6 per cent. interest compounded yearly.

A. F. C. FISKE,
Vice-president for Canada, Metropolitan Life Insurance Company.

METROPOLITAN LIFE POLICIES INCREASED

Insurance in Force Shows a Gain of Some 12.5 Per Cent.

From Our Own Correspondent.

MONTREAL.—The expectation of life of the Metropolitan Life Insurance Co. policyholders has been increased by nine years through the welfare work which that organization has been conducting on a large scale for many years past. Further results of this work are seen in the reduction of the death toll from tuberculosis by over 50 per cent. in the last ten years, while diphtheria and other epidemics are gradually being reduced by the progress of science.

Over $4,000,000 was spent by the Metropolitan Life in 1925 on this continent in health and welfare work amongst its policyholders. In Canada Metropolitan nurses made 242,361 visits to 45,574 patients amongst its industrial and group policyholders. Over 2,750,000 pamphlets were distributed in Canada, some 230,000 being used by health departments and other social agencies.

In addition to its direct work the company has co-operated effectively with others similarly engaged. Substantial financial aid has been given to the Canadian Social Hygiene Council, the Canadian National Committee for Mental Hygiene, the Province of Quebec Safety League and to local Anti-Tuberculosis Leagues. To McGill University a special contribution of $25,000 was made to assist in industrial hygiene research work, while a generous subscription was sent to the University of Montreal in aid of a school of public health nursing that institution inaugurated.

One notable activity of the company in Montreal was their action in supplying the children of some 300 families with free immunization from diphtheria with the object of giving the city health authorities a practical demonstration of the value of such preventative work.

The annual report of the company for the past year, briefly reviewed some time ago, shows that the total insurance in force amounts to $12,097,246,792, on 35,222,356 policies, representing a gain in 1925 of $1,574,762,023.

An Employee States His Views on Life Insurance

By KNOX MAGEE,
President, Winnipeg Saturday Post, (at agency convention of Monarch Life).

IN THE last few years a great invention in the field of life insurance has been made. I refer to the salary deduction plan, whereby the employees of any firm can obtain insurance—with all its splendid advantages—without suffering any inconvenience or hardship.

Selfishness makes me a strong advocate of life insurance in all its forms. Selfishness, as I have said, is the most deeply seated of all the human instincts. Selfishness alone would cause me to keep myself well insured—for if it would do nothing else, it would give me that peace of mind that every philosopher and saint most desires. But selfishness also indicates that my employees should be well insured. A worried man is only half a man. A worried workman is only half a workman. Who can concentrate on anything but gloom if he is anxious about the future of his family?

The Employee's Viewpoint

Let us suppose he is spending all he earns. Let us suppose he has a wife and three or four young children. I can readily imagine that such a man, if he have any heart, any soul, any feeling of human kindliness, any sense of responsibility, must feel his hair stand on end whenever he reads in the newspaper the report of a fatal accident, a violent, a sudden or an untimely death. What thoughts he must carry with him to his work each morning! How confused must be his mind all day! How divided must be his attention! He is only half a man, so far as his duties are concerned—and yet he must be given a whole man's pay. So you see that if I were quite destitute of human feeling, quite bound up in myself, quite oblivious of the sufferings of the innocent who might at any moment be left destitute, still I should be compelled by that selfish instinct, which inspires at once our lowest and our highest impulses, to do whatever might be possible to induce and to assist that employee to relieve his mind of anxiety, to preserve his health, to reestablish his self-respect, to restore his native happiness by insuring his life for the security of his dependents.

Men Protect Themselves

The salary deduction plan of insurance makes it easy for any employer to meet these circumstances. The men at once protect themselves, their families and their employer. From the day when they put on their insurance they are all protected—the man from worry and paralyzing anxiety; his family from want, starvation, worse; the employer from the inefficiency of an employee suffering the subtle disabilities of a disturbed psychological condition.

I have given an illustration of the advantages that an individual employer must reap from the insurance of his employees. Let us make a generalization of this. Let us imagine that in the very near future all the employees of all employers will be adequately protected. When that time comes, gentlemen—and come it inevitably will—all work will be much better done, costs of production will be substantially reduced, conflicts between capital and labor will disappear—for both parties that now constitute the disputants will see that their interests are really common interest—the unemployment problem will be, if not solved, at least stabilized, and the peace and happiness of the world immeasurably advanced.

Maritime Life Now Writes in the Leeward Islands

From Our Own Correspondent.

MONTREAL.—If the annual report of the Maritime Life Assurance Co., covering the year 1925, be taken as an index of the general level of business in the Maritimes, it would seem that those provinces experienced a good business year, for the business in force of the Maritime Life Assurance Co. increased by 95 per cent. from the close of 1924, and stood at $2,159,596 at December 31, 1925.

The company's total assets also showed an increase of 60 per cent. over the 1924 figures, and now total $232,955.

During 1925 the company extended its efforts in the field by the inclusion of Newfoundland, where a satisfactory volume of business was written. More of the Leeward Islands were also taken into the company's territory.

Insurance Personals

North American Life's Moose Jaw agency is now in charge of W. B. Welsh. Mr. Welsh is a westerner of long standing having reached the West as a boy some year ago. During the past ten years he has been very active in the life insurance business.

* * *

At a meeting of the board of directors of the Canada Life Assurance Co. recently two appointments were made. The new directors are: Arthur V. Davis, president of the Aluminum Co. of America, director of Mellon National Bank, director of the Union Trust Co., of Detroit, and director of the Bank of America, and John Stuart, president of the Quaker Oats Co., director of the Northern Trust Co., Chicago, and trustee of Princeton University.

* * *

Nagle E. Phelan has been appointed district manager of the North American Life at Peterboro. Mr. Phelan comes of an insurance family, and with that background, along with a broad knowledge of his territory he brings to his new position every promise of success. He has always taken an active part in the civic life of his home city having been on the council there for the past six years, during which time he was and still is chairman of the finance committee.

HOW QUEBEC VIEWS DUNNING

Quebec Chronicle-Telegraph: La Presse holds up Hon. Charles Dunning as an example of success.

"An immigrant, a farm boy at seventeen, a farm laborer, a small landowner, then a flourishing farmer, member, treasurer of his province and, finally, prime minister of Saskatchewan: such is in a few words the history of Hon. Charles Dunning, the new minister of Canadian railways. Only forty-one years of age, Mr. Dunning is a living argument to put before our youth that is laborious, intelligent, energetic, animated by a legitimate desire to reach the heights by a straight road. Hon. Mr. Dunning is akin in tenacity to his colleague, Hon. Mr. Cardin, who was himself a working carpenter before meeting at the Bar and in politics with the outstanding success that is known to all."

While the initial handicap of poverty is harder to overcome as the country becomes developed and "ground floor" opportunities correspondingly fewer, it is well that the rising generation should receive encouragement from the admirable careers of men such as Hon. Messrs. Dunning and Cardin.

Travel in Luxury to EUROPE

Canadian Pacific liners offer you sumptuous accommodation, perfect cuisine and attentive service. Canadian Pacific through sleepers take you direct to the ship's side at St. John, N.B.

Sailings at frequent intervals to Liverpool, Southampton, Glasgow, Cherbourg and Antwerp. Apply to local agent or

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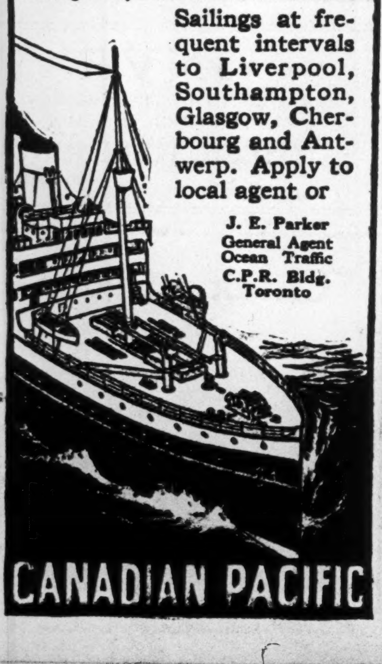

CANADIAN PACIFIC

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The man who takes out a 20-Pay Life Coupon Savings Policy to-day will receive an accumulation of benefits all through his life—protection for himself and his dependents and increased dividends every year for 20 years.

These dividends are provided in the form of guaranteed coupons attached to the policy. You clip your first coupon in 1927 and from then on their guaranteed cash value increases each year. If you leave the coupons untouched, the policy will be paid up in 15 instead of 20 years—your dependents protected without further cost to yourself.

Ask your nearest Northern Life Agent about this attractive plan, or write our Home Office.

The NORTHERN LIFE ASSURANCE COMPANY OF CANADA
LONDON, ONTARIO — ESTABLISHED, 1897

The Independent Order of Foresters
Organized 1874
TOTAL BENEFITS
Paid to Members and their Beneficiaries
$87,000,000.00
Policies Issued from $1,000 to $5,000
G. E. BAILEY, Secretary — W. H. HUNTER, President — ALEX. STEWART, Treasurer

Northwestern Mutual Fire Association
SEATTLE, WASHINGTON
HEAD OFFICE FOR CANADA, HAMILTON, ONTARIO
THE NORTHWESTERN MUTUAL
Keeps on deposit at Ottawa one of the largest funds of any Fire Insurance Company for the exclusive protection of Canadian policyholders.
Writing Fire Insurance at Cost. Assets $2,604,266.13.
Norman S. Jones, Manager for Canada. R. J. Mahony, Associate Manager.
All Policies dividend paying and non-assessable.

Is your rental income insured?

Your buildings are fully insured against loss from Fire, Explosion, etc. Have you made certain of your rental income? While buildings are being repaired or rebuilt loss of rentals can be fully compensated for by having a policy with us.

The Western Assurance Company of Toronto
Established 1851

THE CANADA NATIONAL FIRE INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, CANADA
TOTAL ASSETS $2,928,337.62
TORONTO, 24 Adelaide St. W.
W. H. GEORGE
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SALIENT FEATURES
1925 REPORT
SINKING FUND TRUSTEES
City of Winnipeg

Total Assets		$16,784,072.38
Gross Interest Earnings for the Year		$ 985,853.19
Interest Requirements		598,860.65
Excess Interest Earnings		$ 386,992.54
Balance Surplus Account, January 1, 1925	$99,086.46	
Less amount transferred to City of Winnipeg, during 1925, to credit of Reserve for Uncollectible Taxes	75,000.00	
		$ 24,086.46
		$ 411,079.00
Appropriated as follows:—		
Administration and General Expenses	$17,457.18	
Writing off Premiums on Investments acquired during year	98,398.34	
		$ 115,855.52
Surplus carried forward		$ 295,223.48
Liquid Securities of the highest grade held by Trustees for every $1,000 of bonded indebtedness		$ 303.00
Par value of Securities greater than that taken in on Balance Sheet by		$ 1,285,000.00
Investments made during year		$ 2,746,429.66

Approximately 30% of the assets of the Trustees is invested in Dominion, Provincial and Government Guaranteed Debentures.

Application of Surplus Earnings during this and former years:

To commute levies and cancel debt before maturity		$ 890,021.43
To reduce City's liability to City Pension Fund		400,000.00
To provide Reserve for Uncollectible Taxes Investment Reserve		500,000.00
Balance carried forward		295,223.48
Total Surplus Earnings to date		$ 2,485,244.91
Gross Debt of City at December 31, 1925		$55,424,466.54
Deduct:		
Utility and other special debts	$45,712,209.00	
General Sinking Fund (Total $16,784,072.38)	4,600,084.68	
		$50,312,293.68
Net general debt		$ 5,112,172.86

Trustees:
E. F. HUTCHINGS, Chairman
W. H. CROSS
F. H. DAVIDSON (Alderman)
H. C. THOMPSON (City Treasurer), Secretary

Current Events in Banking World

SERVICE CHARGE IS BEING IMPOSED IN UNITED STATES

American Banks Face the Same Situation as Canadian

As with the Canadian banks, the banks in the United States have found that rising operating costs have rendered it necessary to make charges for what many of their customers had for years been receiving as free service. This particularly refers to those small savings accounts carrying a small balance and yet subject to the frequent exercise of the checking privilege. As to the necessity for imposing a charge to cover the cost of operating such accounts, and making the customers see that such a charge is just and fair, without losing their good will, the American Banker has the following editorial.—J.W.T.

Of the many changes that have gone into effect in banking in the years since the war, the general adoption of the service charge is probably the most important of all in connection with the relations of banks to the public at large. The urge for the service charge was economic. Banks are unquestionably transacting a great deal of business either at a loss or without profit and sooner or later such a situation was bound to call for a change.

The difficulty in the way of the imposition of the service charge was mostly psychological, and the psychological factor was the snag which made many a clearing house doubt the wisdom of imposing one.

The small depositor was brought into existence by the way the banks in the period from 1900 to the outbreak of the world war urged the use of checking accounts and lowered their balance requirements so as to extend their service to greater and greater numbers of the public. To impose the service charge was to say to thousands of people who were taught ten years ago to use a checking account, "From now on you must pay for that privilege."

At no time probably did the accounts of $200 or less form a major factor of the bank's earning powers; probably at any time, from a strictly business viewpoint, these accounts could have been eliminated without hurting the earning power of the banks or materially reducing bank deposits in general. Accordingly, these accounts were never of a great deal of moment, but, from the viewpoint of the relations of the bank with the public and the public's attitude toward banks, they were of considerable importance.

The banks can never afford to take the attitude of "the public be damned," so they give great consideration to anything that may bear vitally on the public's attitude toward them.

For the most part, where the service charges have been inaugurated, the banks have done very creditably in getting the public to see the justice of their cause. There has, of course, been some grumbling, but the great American public is eminently fair; also it possesses a spirit of independence; most people do not desire nor wish charity from anybody. If they have an account with a bank, they want to feel that the account is profitable. They don't want to sponge on the bank.

Branch Bank Idea is Working Out in New York

NEW YORK.—National City Bank is acquiring, by purchase of the capital stock, the Peoples Trust Co., of Brooklyn, the largest and one of the oldest banking institutions in Brooklyn. The offices and organization are to be taken into the National City Bank intact and no changes in personnel of the Brooklyn organization are contemplated. The City Bank will create an advisory board in Brooklyn, consisting of the directors of Peoples Trust Co. Price paid for Peoples Trust is approximately $835 a share.

Acquisition of the Peoples Trust gives the City Bank eleven additional banking offices in the Greater City, making eighteen in all, of which seven are in Manhattan. According to the latest statements of the two institutions, the combined resources will exceed $1,291,000,000 and the deposits $989,430,000.

Weekly Bank Clearings

(In comparison with the same week last year.)

EASTERN CITIES

	Mar. 5, 1925	Mar. 4, 1926
Halifax	$ 2,960,802	$ 3,031,692
St. John	2,462,375	2,711,691
Moncton	563,652	903,186
Quebec	5,735,754	7,313,942
Sherbrooke	846,203	944,837
Montreal	91,854,008	118,812,713
Ottawa	5,641,872	6,246,247
Kingston	594,880	713,630
Chatham	614,929	*450,554
Peterboro'	766,241	660,760
Toronto	87,716,158	102,080,380
Hamilton	4,408,079	4,815,620
Brantford	963,861	1,071,877
London	2,142,521	2,680,922
Kitchener	851,233	973,294
Windsor	2,547,661	3,492,359
Total, East	$210,670,229	$256,903,704

WESTERN CITIES

	Mar. 5, 1925	Mar. 4, 1926
Ft. William	$ 706,101	$ 810,824
Winnipeg	44,758,649	44,470,419
Brandon	514,821	453,541
Regina	3,120,332	3,161,066
Moose Jaw	1,022,106	1,080,328
Saskatoon	1,389,610	1,714,703
Prince Albert	323,065	374,674
Lethbridge	498,806	524,966
Calgary	5,821,615	7,893,654
Edmonton	4,717,307	5,916,350
Medicine Hat	356,989	239,747
New Westm'r	621,098	833,132
Vancouver	14,275,913	16,679,801
Victoria	1,866,702	1,902,477
Total, West	$ 79,993,114	$ 86,065,682

*Four days only.

Real Estate is Suggested as Field for Bank Loans

Manager Proposes Amendment of Bank Act to Permit Employment of Big Surplus of Savings Deposits

Recent returns to the government by the chartered banks have indicated the largest surplus of funds between savings deposits and current loans in the history of Canadian banking. With such a supply of money the attention of the bank management has been turned from the securing of deposits to the placing of satisfactory loans.

Discussing this situation in the following article, an Ontario bank manager suggests that a change should be made in the Bank Act to enable the banks to make loans on real estate.

The question of what the banks are to do with their money is a live one. Every manager is interested. Additional views on this proposal of amending the Bank Act to permit of bank loans on real estate would no doubt help to throw more light on the situation. Any other suggestions from bank men as to how the banks can profitably employ their funds will be published and they should aid in the working out of a constructive policy.—J. W. T.

A recent issue of The Financial Post contained the information that at present savings deposits in our chartered banks exceeded current loans by 450 millions of dollars. About six years ago current loans exceeded savings deposits by 250 millions. The question arises as to the best methods of bringing about a more reasonable ratio and at the same time to stabilize this ratio. Suggestions from bank managers and executives would no doubt be well worth the perusal of both customers and the employed employees of the banks.

There are doubtless a number of reasons to be considered as responsible for the existing conditions. Is it not possible that stocks of raw materials and manufactured goods are much below normal in this country? The severe lessons learned during the deflation period have kept the retailers buying on a hand-to-mouth basis; wholesalers with limited stocks of manufactured goods on their shelves and manufacturers with small quantities of raw materials in their yards or warehouses. The ultimate result of this condition will be a shortage before very long in many articles of staples—prices will rise beyond reasonable figures, forcing the consumer to curtail buying. Surely it is possible providing warehouse space is available for many manufacturers to stock up on raw materials of a non-perishable nature now, at reasonable prices; provide employment in producing finished articles continuously in demand, thus using for their own, as well as the banks' profit, a considerable portion of the surplus funds mentioned. Predictions are generally considered as out of order but is it not conceivable that as a result of the profitable farm crops of 1925 an important demand for manufactured goods will set in before long that is likely to tax severely the manufacturing concerns of the country to supply? The writer lived in Western Canada until the spring of 1924 and it is well known that for several years preceding many farmers and their families bought very little if any wearing apparel. What is the result likely to be within the next year or two? Doubtless a large demand for textiles, and the manufacturer in a position to supply is very likely to reap material benefit. The same applies to other lines of goods.

Now then we have in Ontario many business men of proven ability who are capable of handling important sums of borrowed money profitably. To these of vision I would say—consult your banker with a view to lining up your establishment and take steps to use all you can profitably of this surplus bank money we read so much about. And to you, Mr. Bank Manager,—you have progressive customers of long standing and good moral worth in your community—encourage them to borrow of your surplus funds that will with cautious and intelligent management hasten the return of better times in Canada.

A debatable question and one I think that is worthy of some action is the clause in our Canadian Bank Act making it unlawful for a chartered bank to loan money against the security of real estate. This clause was quite proper in the earlier days of banking when capital, reserve and deposits were in small figures. Why is it not reasonable for our large banks in Canada to employ say 20 per cent. of their time deposits in mortgage loans? Of course, you will argue that the mortgage and loan companies will object. Surely they will, but have these companies not been encroaching on the banking field for some years especially along the line of encouraging saving accounts with checking privileges? They can pay a higher rate for deposits because they have not established branch offices in the smaller towns and villages as have the banks who therefore pay much more in taxes and have a much higher overhead.

The banks of the United States are authorized to loan money on real estate and the large institutions I believe find it profitable and desirable business. We have heard the remark that as our deposits are payable on demand it would not be just to tie up any portion in mortgage loans for periods of three to five years. This is correct as applied to banks of limited resources but conditions today I believe warrant an extension of facilities into this important field. Practically every bank manager of experience has seen good safe loans paid off or new borrowings granted by mortgage and loan companies in his territory that could have been satisfactorily carried by his branch.

This brings up the question of annual clean up in accommodation advances—a policy designed to keep the loans more liquid. Doubtless we shall see some revision of this requirement and well secured loans to capably managed and progressive businesses will be allowed to run with reasonable fluctuations but with no definite understanding that the annual zero point must be reached.

The question of loans against real estate is of course a matter for the Canadian Bankers' Association and the government to consider. We managers have other problems to work out.— J. R. S.

Staff Gossip

H. I. G. Fraser, accountant at the Bank of Montreal, Aylmer, has been transferred to the Chatham branch.—Express, Aylmer.

* * *

T. E. Squires, who has been attached to the local staff of the Canadian Bank of Commerce, has been transferred to Toronto.—Record, Jarvis.

* * *

H. Creighton, teller at the Standard Bank here, has been transferred to the Hamilton branch. Mr. Cattel of Midland will take Mr. Creighton's place here.—Banner, Aurora.

* * *

Mr. Thoburn, teller in the local branch of the Standard Bank, has been promoted to the Whitby branch of that bank. Gerald Parker will move up to Mr. Thoburn's place in the cage, while Evan Gardner has been taken on as junior clerk.—Register, Norwood.

* * *

W. H. MacDonald, who has been manager of the Bank of Toronto here for the past two years, has been transferred to Winnipeg. A. G. Thorkelson is the new manager.—Press, La Fleche.

* * *

H. B. Nelson, who came here as accountant in the branch of the Bank of Nova Scotia, has been transferred back to Lethbridge.—News, Nanton.

* * *

Walter Johnston, who has been manager of the local branch of the Standard Bank for the past year, has been transferred to Ottawa as manager of the bank there. Mr. Johnston's place in the local bank has been taken over by P. W. Barrowlough, who for the past two years has been the accountant of the main branch of the Bank of Hamilton.—Standard, Kingston.

ROYAL BANK

The Royal Bank announce the following staff changes:

A. B. McLellan, who has been appointed assistant manager at Calgary branch, was attached to head office staff for a year prior to his recent appointment.

R. A. East, who has been attached to the supervisor's department at Calgary as inspector, entered the service at Clinton branch in August, 1908.

W. R. Brown has been appointed manager of Montreal Tramways Terminal branch.

H. P. Strong has been transferred to the New York agency as accountant.

Upon his transfer from Hanley, Sask., to Chamberlain, Sask., F. H. Nystuen was presented with a bronze smoker's set by the staff.

R. L. McCormick, the Pembroke manager, has been re-elected by acclamation chairman of the board of education. Mr. McCormick was first chosen for this position in 1922, and each year since has been unanimously re-elected.

U. S. INTERESTS AFTER P. G. E.

VICTORIA.—United States interests are among the prospective purchasers of the Pacific Great Eastern Railway and have submitted a concrete proposal, according to current rumor here.

More Bank Branches Closed in February

A net loss of seven branches for the month of February is reported by the Canadian chartered banks. During the month only four branches were opened while eleven branches were closed. The Royal Bank closed six branches. Following is a list of the branches opened and closed during the month:

Opened

Montreal—Vulcan, Alta.
Nova Scotia—Nanton, Alta.
Provincial—Causapscal, Que.
Royal—Cap de Madeleine, Que.

Closed

Commerce—Frelighsburg, to be sub-branch to Farnham, Que.; Carberry, Man.
Montreal—Czar, Alta.
Provincial—Grand Falls, N.B.; Causapscal, Que.; (sub-agency to Val Brillant.)
Royal—Chamberlain, Sask.; Theodore, Sask.; Elphinstone, Man.; Lyleton, Man.; Empress, Alta.; Alice Arm, B.C.

N. DAKOTA RETURNS TO SANITY AFTER NON-PARTISAN EXPERIMENTS

(Continued from page 2)

quired the losses would be between $1,500,000 and $2,000,000.

This state bank made a brief excursion into other fields. Unable to sell bonds in usual channels because capital was not assured a fair dealing or safe return, the state bank sought to sell bonds to laboring men and farmers in other states. The effort was a failure, and the "New Day" exponents for the first time began to appreciate that capital is non-political and non-partisan and that it will not go where safety is not at least reasonably assured.

Tax Burden Rose

Many of the socialists who flocked to North Dakota to participate in the new movement were advocates of the single tax theory as a stepping stone. A virtual single tax on farm lands was provided. Between 1917 and 1919 the tax burden on farm lands rose from 51 to 70 per cent. This was one of the partings of the ways between the pioneer farmers of North Dakota and the politicians with socialistic tendencies. The farmers who came to this pioneer state because the American system guaranteed high reward to individual enterprise, sacrifice and initiative did not propose to surrender this inherent right to anything that savored of a Marxian program.

The lesson North Dakota learned in her enterprise in state ownership is that government and business do not mix.

That the state enterprises failed in competition with privately owned business surprised only those whose enthusiasm was greater than their historical reading. The failure of other socialistic or state industrial schemes was re-enacted in North Dakota.

The business of an American state has been in part to protect the right to individual success. The individual is not asked to work for the state alone; he may work for himself and his family. If his neighbor is slothful, he has the right to progress beyond him. Those born equal may become unequal in riches, in the respect of others and in the joy of achievement.

The state has not been entirely unselfish in fostering this principle, as North Dakota was to learn. The state gained the benefit of the service of its strongest citizens, directly or indirectly. The state by this system had made the weak strong by tempting them with success.

The power of the Nonpartisan League was broken by a recall election late in 1921. A part of the program remains. The Bank of North Dakota is functioning, but in a limited capacity. It is little more than a rural credits bank. The state mill and elevator at Grand Forks is no longer designed to destroy private flour mills but is, Governor Sorlie explains, an experimental laboratory to prove that North Dakota has an exclusive commodity in hard spring wheat.

The hail insurance monopoly, which found its insured acreage dropped from 12,408,350 in 1919 to 7,748,467, has been forced to adopt a zone system of rate application which private companies have followed, and its life now is threatened by application of a court decision denying it full use of the tax laws in collecting premiums.

North Dakota found big business enterprises ready to lend a helping hand during the dark days of agricultural depression, after the political theorists had been defeated and confidence restored. Her people learned that "Big Business" did not seek the impoverishment of the state. Rather, they learned that the largest business interests want general prosperity, for they can prosper only in proportion to the prosperity of all.

CPTC

The Canada Permanent Trust Company

OFFERS you the comprehensive service of an organization which has the confidence of a clientele extending from coast to coast. With branches throughout the Dominion, and a board of Directors of wide experience and conservative methods, this company enjoys continued growth in public appreciation.

PAID-UP CAPITAL ONE MILLION DOLLARS

Acts as

Executor, Trustee, Administrator, Guardian, Registrar and Transfer Agent, and in all Trust or Agency Capacities.

Ontario Branch Office

CANADA PERMANENT BUILDING TORONTO

18

1926 MITCHELL METALCRAFT 75th YEAR JUBILEE YEAR

METAL FITTINGS

that express the quality and dignity of the institution they are to serve, are the product of Mitchell Metalcraft.

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MONTREAL

To the holders of certificates representing Fractional Bonds and/or Fractional Shares of Preferred or Common Stock of

Asbestos Corporation of Canada, Limited

Notice is hereby given to holders of the Fractional Scrip covering Stock and Bonds of Asbestos Corporation of Canada, Limited, that they are entitled to exchange this Scrip in multiples of complete shares or $100.00 of Bonds for Share Certificates or Bonds on which the following amounts of dividends or interest had accrued as at 1st of January, 1926:—

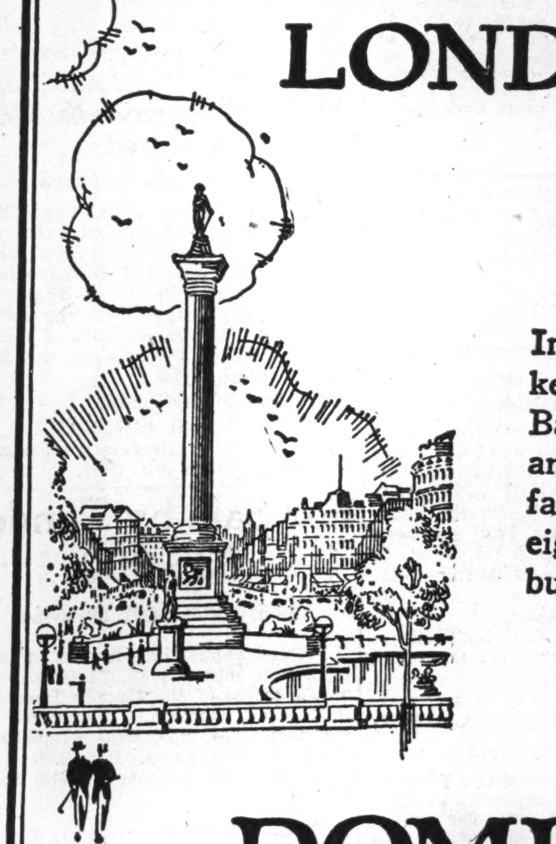
Common Stock	39%
Preferred Stock	59½%
Bonds	67½%

If holders of these Fractions will communicate with The Royal Trust Company, Montreal, that Company will endeavour, as far as possible, to arrange for the consolidation of these Fractions into complete units and wherever this is possible will remit to the Fraction holders the proportion of the market value of their Scrip and accrued revenue thereon.

Asbestos Corporation of Canada, Limited

J. T. McCallum,
Secretary-Treasurer

LONDON *and* NEW YORK



In these two great money markets of the world, The Dominion Bank maintains its own offices, and is able to offer the fullest facilities in the handling of foreign exchange and international business of every character.

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THE DOMINION BANK

Head Office - Toronto
CLARENCE A. BOGERT, General Manager

London Office - 3 King William St. E. C. 4 — New York Office - 35 Wall Street

DEBITS OF BANKS WERE HIGHER BY NEARLY BILLION

Indicating Larger Volume of Business During 1925

OTTAWA.—Bank debits to individual accounts at the clearing house centres in Canada in 1925, as reported to the Dominion Bureau of Statistics by the Canadian Bankers' Association, showed an increase of $967,000,000 or 3.65 per cent. over the revised figures for the preceding year; the total debits amounting to $28,126,000,00, in 1925, as compared with $27,159,000,000 in 1924.

Of the four largest cities, Montreal, Winnipeg and Vancouver recorded increases in 1925, while Toronto experienced a slight decline. In Eastern Canada as a whole, the bank debits of 1925 increased by 1.8 per cent. over those of 1924, while in Western Canada the increase was 8 per cent.

The original decision to secure records of bank debits to individual account was due to the realization that bank clearings on account of the bank amalgamations which have been taking place, are recording a steadily decreasing proportion of the country's business. As a matter of fact, bank clearings in Canada in 1925 are 1.4 per cent. lower than in 1924, while bank debits as already stated, are 3.65 per cent. higher. There is no doubt whatever that bank debits tell the true story, and that the merit of bank clearing has been vitiated as a barometric by the decline in the number of chartered banks from 15 in January, 1924, to 11 in December, 1925. Bank clearings record only inter-bank transactions, while bank debits form a continuous comparable record of the whole volume of business done.

Quebec.—The debits of Quebec Province showed a greater proportional increase than any other economic area of the eastern division. The debits in 1925 were $8,475,000,000 as compared with $8,133,000,000 in the preceding year, an increase of more than four per cent. Montreal showed the substantial advance of 3.5 per cent. The gains at Quebec city and Sherbrooke were 14 per cent. and six per cent. respectively.

Ontario.—The debits of Ontario showed a slight increase in 1925, notwithstanding a downward trend at Toronto where a decline of nearly one per cent. was experienced. Brantford, Windsor, Kitchener and Peterborough were among the industrial centres to show important gains, and the advance at Hamilton was nearly two per cent.

Prairie Provinces.—The gain in the Prairie Provinces was nine per cent., being greater than in any other economic area. The advance at Winnipeg was more than 10 per cent., the revision of the figures for 1924 being taken into consideration. The remaining centres showed an uneven development, Regina indicating an increase of nearly 28 per cent. while declines occurred at Calgary, Lethbridge and Medicine Hat. The debits at the branches of the Weyburn Security Bank increased 31 per cent. as compared with 1924.

British Columbia.—In British Columbia gains were recorded at each of the three centres, the net result for the province being an increase of nearly seven per cent. The gain at Vancouver was nearly five per cent., the remarkable increase of 18 per cent. being shown at Victoria.

Maritime Provinces.—In the Maritime Provinces, Halifax showed a substantial increase of 15 per cent. over 1924, but Moncton showed a slight decline of one per cent. and St. John a large decline of 21 per cent. On the whole, the bank debits in the Maritimes in 1925 were two per cent. below those of 1924. Each of the last four months of the year, however, showed an increase as compared with the corresponding month of 1924, so that the situation is improving.

The average turnover of bank deposits declined slightly in 1925 as compared with the preceding year; the percentage of bank debits to the average demand and notice deposits was 130.6 in 1925 and 133.0 in 1924. The decline in the turnover of deposits was due to the average deposits increasing faster than the debits. The increase in the deposits was 5.4 per cent., as compared with an advance of 3.55 per cent. in the debits.

Clearing House Centres	1925	Increase (+) or decrease (—) 1925 as compared with 1924
Maritime Provinces—		
Halifax	291,519,137	+ 42,415,030
Moncton	72,670,817	— 688,710
St. John	208,309,576	— 54,088,164
Total	572,499,530	— 12,361,844
Quebec—		
Montreal	7,765,597,874	+263,593,630
Quebec	606,288,225	+ 72,504,245
Sherbrooke	103,338,392	+ 6,135,514
Total	8,475,224,491	+342,233,389
Ontario—		
Brantford	97,420,194	+ 11,897,945
Chatham	72,552,158	— 11,291,148
Fort William	80,641,924	— 13,900,599
Hamilton	561,986,629	+ 10,168,816
Kingston	60,684,605	— 2,938,563
Kitchener	101,458,597	+ 5,735,215
London	258,399,664	— 7,382,497
Ottawa	2,019,304,868	+ 61,942,553
Peterborough	74,622,879	+ 5,617,773
Toronto	7,587,940,228	— 71,114,891
Windsor	321,031,895	+ 37,913,996
Total	11,236,043,641	+ 26,648,600
Prairie Provinces—		
Brandon	51,160,648	+ 2,642,501
Calgary	622,214,679	— 15,947,289
Edmonton	368,310,143	+ 24,809,397
Lethbridge	58,423,735	— 430,776
Medicine Hat	41,053,260	— 10,491,812
Moose Jaw	105,510,363	+ 8,477,652
Prince Albert	24,528,983	— 381
Regina	376,635,145	+ 76,761,889
Saskatoon	126,233,796	+ 9,118,334
Winnipeg	4,182,585,261	+387,696,718
Weyburn Bank	43,391,860	+ 10,348,691
Total	6,000,047,883	+492,984,924
British Columbia—		
New Westmin.	64,256,015	+ 4,891,790
Vancouver	1,475,010,772	+ 65,158,734
Victoria	302,978,424	+ 47,030,952
Total	1,842,245,211	+117,081,476
Grand Total	28,126,060,756	+966,586,545
Bank Clearings	16,765,600,313	—233,122,833

A branch of the Bank of Montreal will be opened on or about the 15th instant at 5003 Sherbrooke St., West, Westmount, corner of Claremount Ave., to be known as Claremount Ave. & Sherbrooke St. branch.

The Foreign Exchanges

Conducted by S. J. ZACKS.

Trading in the French franc occupied the centre of the interest in the foreign exchanges market during the week. After having been driven down to within a few points of the year's low, on the resignation of the Briand ministry on Saturday, strong buying set in which provided sufficient support to bring the franc to $.0368 on Tuesday, reacting slightly on Wednesday to $.0366. The speedy return of Briand as prime minister undoubtedly has added support to the franc, but the situation is still far from satisfactory. Although the new cabinet has brought back with it only one representative from the Left, the Left seems to have scored in that Doumer was ousted. The complexion of the new ministry is not altogether a healthy one, since it was constituted with a view to diplomatic strength, perhaps more than to financial strength, to enable France to present a strong front at the League Assembly. Although the franc received considerable support in New York during the week, yet it does not follow that this support will continue. It is hardly possible for Doumer to be able to put through finance bills strong enough to do away with further inflation. Most of France's best friends agree that what France needs is decisive action. Whether Doumer will come through in a powerful fashion is problematical, since the Left still has the majority in the Chamber. I still wonder whether France would not have been well-advised had she accepted Cailloux, with his demands for extraordinary powers, or perhaps better still, dissolution with an opportunity for the people to express their disgust and to share a fuller responsibility.

U. S. funds were weaker during the week, softening to 9-32 cents premium on Wednesday. Although it is difficult to interpret the recent strength of U. S. funds, undoubtedly Canada's unfavorable trade balance, with possibly heavier demands for call market were in part responsible. The news of Canada's intention to ship $50,000,000 of gold for interest and other foreign obligations, has helped to weaken U. S. funds.

Sterling was again stronger on Wednesday, the cables in Toronto closing at $4.87 3-16. Lower call money rates at New York have been suggested as one reason for sterling's strength.

The new finance minister of Poland announced his exchange policy at Kracon, Monday, a summary of which was cabled to the American Polish Chamber of Commerce. He will make no attempt to raise zlotys to parity of $.193, but the government will make every effort to stabilize at present levels. With zlotys at $.1325 prices are lower than world levels when expressed in gold. Polish exports are stimulated therefore, as internal prices are lower than world prices when expressed in gold.

The government will reduce as far as possible foreign exchange dealings, but close attention will be given to the movement of balances. The balancing of the budget too will be a matter of great concern to the government.

The Japanese yen closed at $.4555 on Wednesday after an offer as low as $.4480 on Monday. Renewal of hostilities with China, one of Japan's important markets, has helped to bring on this reaction, which started, as pointed out last week, when Japanese officials stated that speculation had forced the yen too high.

NEW YORK FUNDS

	High	Low	Last Year High	Last Year Low
March 4	39-64	17-32	5-32	5-32
March 5	17-32	33-64	5-32	5-32
March 6	17-32	1-2	5-32	1-8
March 8	1-2	15-32	5-32	1-8
March 9	16-32	3-8	1-8	1-8
March 10	3-8	9-32	1-8	1-8

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
March 4	4.85½	3.72¾	4.01⅝
March 5	4.85½	3.73½	4.01⅝
March 6	4.85½	3.60¼	4.01¼
March 8	4.85 11/16	3.61½	4.01⅝
March 9	4.85 13/16	3.67½	4.01⅝
March 10	4.85 13/16	3.63¾	4.01⅝

OTHER EXCHANGES

Par		Close Mar. 3	Close Mar. 10
19.30	Italian	4.04¼	4.03¼
23.82	German	23.85½	23.89
32.45	Brazilian	14.71	14.74
19.30	Belgium	4.57	4.56
49.85	Japan	45.77	45.55

NEW ARTIFICIAL SILK CO.

MONTREAL.—Yet another artificial silk company has been attracted by the pulp resources of the Dominion, and the Dominion National Consolidated Industries is to spend at least $2,000,000 in a projected plant at New Westminster, B. C.

OFFER TO PRUDENTIAL

MONTREAL.—It is understood that two offers have been submitted to the Prudential Trust Company for the purchase of its stock. It is said that the Dominion Financial Corporation has offered to issue further of its 6½ per cent. bonds in exchange for the shares, and also that the Manufacturers' Finance Corporation has offered its preferred stock with a fifty per cent. bonus of common.

CELANESE TO BUILD SOON

MONTREAL.—The current number of "Investment," published by Nesbitt, Thomson and Company, says that the Canadian Celanese, a company formed to manufacture artificial silk in Canada, is planning to erect its plant at Drummondville, P. Q., immediately. This plant was located in the province of Quebec largely through the influence of the Southern Canada Power, and it is anticipated that it will employ between three and four thousand hands; it will be a notable addition to the number of large manufacturing industries in the eastern townships section of the province.

Asbestos Shingles for Canada Made in Canada

In urging that asbestos, as one of the products with which Canada is supplying the world, should be exported in the shape of finished articles rather than as raw material to be manufactured by foreign workers, The Financial Post last week reprinted an editorial from the Nelson News which referred to asbestos shingles, manufactured from Canadian materials in the United States, being marketed in this country. In British Columbia the question of cedar shingles versus other roofing materials is a very live one.

Without entering the cedar vs. asbestos controversy it should be explained, in justice to the asbestos manufacturers, that asbestos products for the Canadian market are manufactured in Canada.

The Nelson News referred to an advertisement which is easily identified as that of the Johns-Manville Company. In June, 1924, the big Canadian plant of the Canadian Johns-Manville Company was opened in Quebec. This was an event of importance in Canadian industry. Since then Johns-Manville asbestos products sold in Canada have been manufactured entirely within Canadian boundaries. The mining, manufacturing and sale of Johns-Manville asbestos in Canada is an entirely Canadian proposition. The new plant covers 4½ acres and developing 2,500 horsepower is situated right beside the Johns-Manville asbestos mines. Canadian labor is employed in turning out an all-Canadian product.

Such plants as that of the Canadian Johns-Manville company are a great asset to Canada. The benefits accruing from our natural resources would be greatly increased if the manufacture of asbestos products for the whole world took place in this country.

British America Assurance Loss and Expense Ratios Cut

Annual statement of the British-America Assurance Company for the year ending 31st December, 1925, shows assets increased from $3,552,721 to $4,006,428. Premium income increased from $2,923,993 to $3,597,755; interest earnings from $87,404 to $129,271, and surplus to policyholders from $919,183 to $1,049,564 (an increase during the year of $130,381). Total income, including interest earnings for the year, amounted to $3,727,027, and the total outgo (i.e., losses, including those under adjustment, agents' commissions, taxes, and general expenses of all kinds) amounted to $3,278,454. In addition there was a profit on the sale and maturity of securities of $13,496, and an appreciation in the market value of securities of $60,108.

The company's loss ratio on its entire business for 1925 was 49.06 per cent., as compared with 55.02 per cent. in 1924. On its Canadian fire business it was 50½ per cent., as compared with 50.65 per cent. in 1924.

Its expense ratio on its world-wide business was 42.06 per cent., as against 42.78 per cent. for 1924 and 46.09 per cent. for 1923.

Northwestern Mutual Fire Assets Increased in 1925

Northwestern Mutual Fire Association increased its Canadian business in 1925. Net premium income was $866,771 in Canada, as against $753,213 in 1924. Loss ratio was lower, amounting to 38.9 per cent., as against 41.5 per cent., and expense ratio was also reduced from 27.4 per cent. to 23.5 per cent.

Dividends paid to policyholders on 1924 premiums were $192,414 in Canada and $1,019,227 for the company as a whole, as compared with $175,926 and $1,039,722, respectively, in 1924.

Excess income over disbursements of the company in 1925 was $538,957. Balance sheet shows admitted assets of $3,118,764, as compared with $2,604,266. Net cash surplus after all reserves was $705,719, compared with $535,953.

Western Assurance Built Further Strength Into Assets

Reductions in both loss and expense ratios feature the annual statement of the Western Assurance Company for the year ending 31st December, 1925. Assets increased from $6,104,095 to $6,916,249; premium income from $4,224,670 to $5,015,719; interest earnings from $206,806 to $218,105, and surplus to policyholders from $1,804,394 to $2,076,948, an increase during the year of $272,553.

The total income, including interest earnings for the year, amounted to $5,233,734, and the total outgo (i.e., losses, including those under adjustment, agents' commissions, taxes, and general expenses of all kinds) amounted to $4,542,388. In addition there was a profit on the sale and maturity of securities of $18,065, and an appreciation in the market value of securities of $78,810.

It is stated that since the close of the company's year this excellent financial position has been made even stronger by the recent readjustment of the capital, involving a reduction in the common shares, the calling in for payment of the outstanding preference stock, the issue of new preference stock at a premium of 100 per cent. and the issue of new common stock at a premium of 50 per cent.

The company's loss ratio on its entire business for 1925 was 50.12 per cent., as compared with 59.03 per cent. in 1924. On its Canadian fire business it was 52.97 per cent., as compared with 54.69 per cent. in 1924.

POSITION WANTED

In Brokerage, Bond or Financial House, by former bank manager, extensive banking and bank auditing experience.

Apply Box 102, Financial Post, 153 University Ave., Toronto, Ont.

Woods Manufacturing Company Limited

Preferred Stock Dividend Notice

The regular quarterly Dividend of one and three-quarters (1¾%) per cent. on the PREFERRED STOCK OF WOODS MANUFACTURING COMPANY, LIMITED, for the quarter ending March 31st, 1926, has been declared payable April 1st, 1926, to Shareholders of record March 20th, 1926.

By order of the Board.

JOHN T. F. KEENE, Secretary-treasurer.

February 12th, 1926.

The Toronto Mortgage Company

Quarterly Dividend

Notice is hereby given that a Dividend of Two and one-half per cent., being at the rate of Ten per cent. per annum, upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after

1st April, 1926,

to Shareholders of record on the books of the Company at the close of business on 15th instant.

By order of the Board.

WALTER GILLESPIE, Manager.

GREAT EXPERIMENT PRICE MAINTENANCE MAKING HEADWAY

(Continued from page 1)

order house, department store and chain store accounts. To this objection, the retailers answer that the accounts are not worth having; that they are here to-day and gone to-morrow; moreover the next step on the part of the chain stores will be the manufacture by themselves of the lines they push, and thus the discarding of the manufacturer whom they seem to befriend to-day. They state that the manufacturer must be prepared to choose between the thousands of aggressive, stable and permanent or independent retail merchants of Canada, on the one hand, whose goodwill is incalculable in value and the distributors, on the other hand, who give volume to-day but whose business offers neither stability nor assurance of permanence. However, price maintenance does not aim at elimination of chain store or mail order houses, but merely at the fixation of re-sale prices on lines where the goodwill value is high. On staples and bulk lines, the chains may continue to do as they please.

The price stabilization movement is making headway as a great merchandising experiment. To business as a whole, perhaps its chief interest lies in the fact that it is an effort to promote stability when stability is undoubtedly an important need. Significant, too, is the fact that the movement is a recognition of the importance of the retail merchant as the keystone of the whole arch of successful business.

Free Manual

Covers listed New York Stocks, giving high and low prices from 1906 to date, dividends, etc. Also gives high and low prices New York Cotton, Chicago Grain. Send for your FREE copy today. Dept. F-8.

H. C. SCHAUBLE & CO.

53-65 Wall Street. New York

Dominion Textile Company, Limited

NOTICE OF DIVIDEND

A Dividend of One and Three-quarters per cent. (1¾%) on the Preferred Stock of DOMINION TEXTILE COMPANY, Limited, has been declared for the quarter ending March 31st, 1926, payable April 15th, to shareholders of record 31st March.

By order of the Board,

JAS. H. WEBB, Secretary-Treasurer.

Montreal, February 24th, 1926.

Dominion Textile Company, Limited

NOTICE OF DIVIDEND

A Dividend of One Dollar and Twenty-five Cents ($1.25) per share on the Common Stock of Dominion Textile Company, Limited, has been declared for the quarter ending March 31st, 1926, payable 1st April, to shareholders of record March 15th.

By order of the Board.

JAS. H. WEBB, Secretary-treasurer.

Montreal, February 24th, 1926.

MONTREAL TRAMWAYS COMPANY.

ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Shareholders of the Montreal Tramways Company will be held at the Company's Offices, Tramways Building, 78 Craig Street West, Montreal, at 12 o'clock noon, on Monday, the 29th day of March, 1926, for the reception of the Annual Report, Election of Directors, and the transaction of such other business as may legally come before said Meeting.

The Transfer Books will be closed from the 9th to the 28th day of March, both days inclusive.

By order of the Board.

PATRICK DUBEE, Secretary.

February 24th, 1926.

Holt, Renfrew & Co. Limited

Dividend Notice on Preferred Stock

Notice is hereby given that Dividends Nos. 23 and 24, being for the first two quarters of our fiscal year, ending January 31st, 1926, have been declared on the Preferred Shares of the Company, payable on the 1st of April, 1926, to shareholders of record at the close of business on the 29th day of March, 1926.

By order of the Board.

R. B. LINDSAY, Secretary-treasurer.

Montreal, March 9th, 1926.

For Sale by Tender $35,000

County of Norfolk 5% bonds

Fifteen annual instalments of principal and interest, $3,371.98, payable at the office of the County Treasurer in Simcoe, Ontario. Equalized assessment for taxation $14,560,000. Area 400,800 acres. Population 25,364. Present debenture debt $519,627.24.

Tenders will be received for the above up to 2 o'clock March 19th, 1926. All tenders to be mailed or delivered and addressed to the undersigned. The highest or any tender not necessarily accepted.

JONATHAN PORTER, Treasurer, County Norfolk, Simcoe, Ont.

THE INTERNATIONAL NICKEL COMPANY

NOTICE OF ANNUAL MEETING

Notice is hereby given that the Annual Meeting of the Stockholders of The International Nickel Company will be held at the office of the Company, at Oak Street, Bayonne, New Jersey, on Tuesday, March 16, 1926, at eleven o'clock in the forenoon, for the purpose of electing five directors to hold office for three years and for the transaction of such other business as may come before the meeting, including considering and voting upon the approval and ratification of all contracts, acts and proceedings of the Board of Directors and of the Executive Committee of this Company since the last Annual Meeting of Stockholders, as set forth in the minutes of the Board of Directors and of said Committee, which will be open to examination at the meeting by stockholders of record.

By order of the Board of Directors.

JAMES L. ASHLEY, Sec'y.

Bayonne, New Jersey, January 22, 1926.

Dominion Power and Transmission Co. Limited

Notice is hereby given that Dividend No. 58 at the rate of seven per cent. (7%) per annum on the Cumulative Preference Stock of this Company has been declared for the three months ending March 31st, 1926, and that the same is payable on April 15th, 1926, to shareholders of record on the 31st day of March, 1926.

The Transfer Books for the Preference Stock of the Company will be closed from the 24th day of March, 1926, to the 31st day of March, 1926, both days inclusive.

By order of the Board of Directors,

GEORGE D. FEARMAN, Secretary.

Hamilton, Ont., 5th March, 1926.

Dominion Glass Company Limited

NOTICE OF DIVIDENDS

Notice is hereby given that a dividend of one and three-quarters per cent. (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 31st day of March, 1926.

Notice is also hereby given that a dividend of one and three-quarters per cent. (1¾%) has been declared on the COMMON STOCK of the Company for the quarter ending the 31st day of March, 1926.

The above Dividends are payable on Thursday, the 1st day of April, 1926, to Shareholders of Record at the close of business Monday, the 15th day of March, 1926.

By Order of the Board.

MERVYN OFFER, Comptroller and Secretary.

Montreal, 18th February, 1926.

The Dominion Bank

Notice is hereby given that a Dividend of three per cent. upon the paid up Capital Stock of this Institution has been declared for the quarter ending 31st March, 1926, being at the rate of twelve per cent. per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Thursday, the 1st day of April, 1926, to shareholders of record of the 20th March, 1926.

By Order of the Board.

C. A. BOGERT, General Manager.

Toronto, 26th February, 1926.

The Wabasso Cotton Company, Limited

DIVIDEND NOTICE 33

Notice is hereby given that a quarterly Dividend of One Dollar ($1.00) per share has been declared on the Capital Stock of the Company, for the quarter ending 31st March, 1926, payable on the 1st of April, 1926, to Shareholders of record at the close of business on the 15th March, 1926.

By Order of the Board,

JAS. R. RITCHIE, Secretary-Treasurer.

Three Rivers, P.Q., Feby. 9th, 1926.

ONTARIO

SALE OF HARDWOOD TIMBER

TENDERS WILL BE RECEIVED by the undersigned up to and including the 15th of April, 1926, for the right to cut the Hardwood Timber, comprising Birch and Maple, on an area in the District of Algoma, partly in the Mississaga Forest Reserve and partly in the section immediately South thereof, subject, amongst other conditions, to the manufacture of same into the finished product within the Province of Ontario.

FURTHER PARTICULARS may be obtained upon application to the undersigned, or the Deputy Minister of Lands and Forests, Toronto, Ontario.

JAMES LYONS, Minister of Lands and Forests.

N.B.—No unauthorised publication of this Notice will be paid for.

TORONTO—January 22nd, 1926.

SOUTHERN CANADA POWER COMPANY LIMITED

Dividend No. 25

A DIVIDEND of One and one-half per cent on the PREFERRED STOCK of the SOUTHERN CANADA POWER COMPANY LIMITED has been declared for the quarter ending March 31st 1926, payable April 15th 1926, to shareholders of record March 25th 1926.

By order of the Board.

L. C. HASKELL, Secretary-Treasurer.

Montreal, February 26th, 1926.

Town of Pembroke

Debentures for Sale

Sealed tenders will be received by the undersigned up until noon, March 12, 1926, on $54,224.31 Local Improvement, 5%, 10-yr., and $6,290.91 Waterworks, 5%, 30-yr. debentures; repayable in equal annual instalments of principal and interest; denominations of $1,000.00 and odd amounts.

The highest or any tender not necessarily accepted.

D. W. BLAKELY, Clerk-Treasurer.

CANADA PERMANENT MORTGAGE CORPORATION

Quarterly Dividend

Notice is hereby given that a Dividend of THREE PER CENT. for the current quarter, being at the rate of TWELVE PER CENT. PER ANNUM on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable THURSDAY, THE FIRST DAY OF APRIL next, to Shareholders of record at the close of business on the Fifteenth day of March.

By order of the Board.

WALTER F. WATKINS, Secretary.

Toronto, February 17th, 1926.

$109,730 CITY OF SASKATOON Debentures for Sale

Sealed tenders addressed to the undersigned City Commissioner and marked "Tender for Debentures" will be received up to 12 o'clock noon on Thursday, April 8th, 1926, for the following debentures:

Bylaw No.	Purpose	Term	Interest Rate	Amount
1444	Concrete Sidewalks	20 years	5%	$16,544.00
1505	Water connections	10 years	5%	18,000.00
1506	Sewer connections	10 years	5%	12,000.00
1507	Water mains	30 years	5%	12,476.00
1508	Sewer mains	30 years	5%	14,040.00
1509	Concrete sidewalks	20 years	5%	14,170.75
1512	Water meters	15 years	5%	5,000.00
1513	Electric Light and Power extensions	15 years	5%	14,500.00
1514	Automatic half interlocking plant	10 years	5%	3,000.00
				$109,730.75

These debentures will be dated May 1st, 1926, with interest payable semi-annually from that date.

Alternative offers will be considered on the interest and principal being payable

(1) At the Bank of Montreal in Montreal, Toronto, Winnipeg, Vancouver and Saskatoon;

(2) At the Bank of Montreal, in Montreal, Toronto, Winnipeg, Vancouver and Saskatoon; and at the Agency of the Bank of Montreal in New York.

The highest or any tender not necessarily accepted.

Full particulars regarding the City's financial position, etc., will be supplied on application to the undersigned City Commissioner.

RUSSELL WILSON, Mayor.

ANDREW LESLIE, City Commissioner.

Saskatoon, March 1st, 1926.

ASKS NOVA SCOTIA TO STOP CROWN LAND WOOD EXPORT

Barnjum Suggests that Eastern Province Follow Ontario

FOR JOINT ACTION

Proposes Conference Between Governments of Four Provinces for the Formation of Uniform Forest Regulations

HALIFAX.—Frank Barnjum, protagonist of pulpwood conservation, is urging upon the government, from his seat in the provincial legislature, that Nova Scotia definitely restrict the export of unmanufactured wood from crown lands as Ontario has done. Mr. Barnjum proposes a provincial embargo on crown lands pulpwood and a tax on fee land pulpwood. He also suggests a conference between the governments of Ontario, Quebec, New Brunswick and Nova Scotia, so that some uniformity in regard to stumpage rates, cutting control and slash disposal and fire and insect protection may be arrived at. At the present time Nova Scotia is the only forest bearing province in Canada that permits the unrestricted export of crown land wood. The actual loss to the province, according to Mr. Barnjum, through the export of all unmanufactured pulpwood, amounts to more than $8,000,000 annually.

Mr. Barnjum submits that with the adoption of uniform forest regulations by Ontario, Quebec, New Brunswick and Nova Scotia, no one would be injured, as everyone would be on exactly the same basis and any necessary extra cost for forest protection and perpetuation would be passed along to the consumer where it rightfully belongs.

The Budworm Scourge

The destruction of forest resources as the result of the budworm epidemic is emphasized by Mr. Barnjum as an argument for immediate action in conserving pulpwood resources for the benefit of the Canadian paper industry. The Dominion Insect Entomologist in his report on this matter states that the budworm has destroyed 150,000,000 cords of pulpwood in Eastern Canada. This statement was made some time ago and, since these ravages have continued practically unchecked, the loss must now be very much greater. One hundred and fifty million cords of wood manufactured into newsprint paper and sold even at to-day's comparatively low price would, Mr. Barnjum estimates, possess a value of more than $7,000,000,000—an amount sufficient to wipe out Canada's national debt three times over, or, to put it still more strikingly, to provide sufficient wood to keep our present entire pulp and paper industry operating for forty years.

Too Much Politics

Mr. Barnjum declares that he is not now a partisan Liberal nor a partisan Conservative but, above all, a partisan Nova Scotian, prepared to support the present or any other government or any measure introduced by the opposition in the interests of the province.

He expresses a conviction that the troubles of the Maritimes are largely the result of partisanship. It is up to the people of Nova Scotia, he declares, to choose between partisanship and prosperity. As to the evils of partisanship he said in part:

"If one-half of our people are trying to build up, while the other half are trying to pull down, progress is impossible. Why, Sir, this partisan disease has become so strongly instilled into the blood of our people that I am not afraid to say that there are many people of this province who are actually hoping that the industrial enterprise planned by me will come to naught in order that they may profit politically thereby. There are some who are openly saying and doing all they can to defeat the project! Unfortunately we even have in this province some few newspapers to which the people should look for guidance and leadership, but which because of their partisanship do not miss an opportunity to belittle this or any other project simply because it is sponsored by someone of the opposite political faith.

Mr. Barnjum blames this blight of political partisanship for the depressed conditions in the Maritimes, declaring that if the people would only unite in becoming partisan Nova Scotians and work with one accord for the upbuilding of the country the province would very soon assume its rightful position as the most prosperous of all the provinces. The province has the resources, Mr. Barnjum declares, but partisanship has prevented their developments for the benefit of the people.

London Free Press Interests Reported as Controlling Advertiser

LONDON.—A great deal of interesting gossip is heard with regard to the reported purchase of control of London Advertiser by interests associated with the London Free Press. It was announced that purchase had been made by J. F. McKay, former business manager of Toronto Globe, who would be president of the company, that Melville Rossie, former managing editor of the Advertiser and later of the Globe, would be editor-in-chief; and that Frank Adams, formerly associated with the business administration of the Advertiser in the days of the Purdon control, would be general manager. It is being noted that the photogravure and colored sections of both papers were dropped simultaneously recently and the latest rumor is that the Advertiser will quit the evening field and in future be produced only as a morning paper.

London has always been fortunate in having two excellent papers. Though competition has been keen the Free Press controlled by the Blackburn family has been in the ascendency. Frequent changes of late years have worked to the disadvantage of the Advertiser, which during the 1917 elections built up a tremendous circulation among those who were supporting the policy of Sir Wilfrid Laurier, but after the election, was not able to hold its position. Up to 10 or 12 years ago the Advertiser was a strictly evening paper. The London Free Press was published morning and evening. Then the Advertiser invaded the morning field. If the Advertiser leaves the evening field it should result in a material increase in the city circulation of the Free Press. On the other hand it is doubtful if any advantage will accrue to the Advertiser on leaving the evening field, other than perhaps to cut the expenses, so that if there is such a move, it would seem to strengthen the report that the Free Press is now in control.

For the past year or so the London Advertiser has been owned by Toronto Star interests who succeeded in purchasing it after a deal reported to have been made by the Hearman interest controlling Windsor and Saskatoon papers had been upset. It seems certain that the Toronto Star people sustained substantial losses in their operations, and sale.

Manitoba Farm Credits Are Being Investigated

WINNIPEG.—That an investigation was being conducted into certain phases of the administration of the rural credits department of the provincial government and assurance that any wrongdoing would be properly dealt with, was the information Premier John Bracken furnished the members of the legislature when the house was considering the estimates for the department for the next fiscal year.

For three hours the educational policy and administration of rural credits was under a cross fire of criticism and queries from members of the opposition.

Canadian Pacific Earnings Were 12.5% on Common Stock

Gross Earnings Exceed 1924 — Working Expenses at Lowest Level Since 1917 — Special Income Account Revenues Have Increased by More Than $1,300,000

From Our Own Correspondent.

MONTREAL.—The three chief features of the 1925 earnings of the Canadian Pacific Railway were an increase in the gross over 1924, the lowest working expenses since 1918, and the highest net revenue since 1917. The increased gross is attributable to the bettered conditions prevailing through the latter part of the year, whilst the lowered earnings during the first half of 1925, with the necessity for curtailed working expenses, are reflected in the lower operating costs.

The special income account, in which revenues are derived from sources other than the actual operation of the road, shows a big improvement over last year. The combined net revenues of the company applicable to the common stock stood at 12.5 per cent., as compared with 11 per cent. last year earned on the junior security.

The net revenues from railway operation and from lake steamers amounted to $21,210,315, as compared with $18,663,614 in 1924. From the former total was deducted $18,200,000 to meet 7 per cent. of the common stock dividend requirements. The remaining 3 per cent., which goes to the common shareholders, was, as usual, deducted from the special income account, which this year amounted to $11,357,375, being a decided increase over the $9,971,252 earned from this branch of the company's operations in 1924. In special income account, after payment of dividends, $3,557,375 was transferred to surplus account; the amount transferred to surplus from railway operation was $3,010,315.

The earnings from railways and lake steamers and special income account compare with the preceding years as follows:

	1925	1924	1923	1922
Gross earnings	$183,356,006	$182,502,156	$195,937,090	$186,675,035
Working expenses	143,201,230	145,274,914	158,358,080	150,373,345
Net earnings	$ 40,154,776	$ 37,227,242	$ 37,479,010	$ 36,301,691
Fixed charges	14,438,517	14,070,281	13,470,653	13,348,905
Surplus	$ 25,716,259	$ 23,156,955	$ 24,008,357	$ 22,952,785
Pension fund	500,000	500,000	500,000	500,000
Net revenue	$ 25,216,259	$ 22,656,955	$ 23,508,357	$ 22,452,785
Preferred dividends	4,005,944	3,993,341	3,675,010	3,227,276
Balance	$ 21,210,315	$ 18,663,614	$ 19,833,347	$ 19,225,509
Common dividends	18,200,000	18,200,000	18,200,000	18,200,000
Net surplus for year	$ 3,010,315	$ 463,614	$ 1,633,347	$ 1,025,500
Special Income Account				
Special income	$ 11,357,375	$ 9,971,252	$ 11,391,052	$ 11,092,355
Dividends	7,800,000	7,800,000	7,800,000	7,800,000
Balance	$ 3,557,375	$ 2,171,252	$ 3,591,052	$ 3,292,355
Previous balance	30,822,149	28,650,897	25,059,845	21,767,490
Special inc. acc. surp.	$ 34,379,524	$ 30,822,149	$ 28,650,897	$ 25,059,845
Indicated earn. ord. stock	12.5 p.c.	11 p.c.	12 p.c.	11.6 p.c.

PLAN IS DEVELOPING FOR DEBT RETIREMENT

Ontario's Scheme for Dissolving Funded Debt in 40 Years Being Worked Out

The working out of the plan, already discussed in these columns, for the gradual retirement of the debt of the Province of Ontario, is seen in the budget statement introduced this week. The committee comprising representatives of the Canadian Bankers' Association and the Investment Bankers' Association have been working on the plan now for eight months and will present a report within the next few days.

The revenue and expenditure of the province have increased enormously during the past decade. In 1913 they had scarcely reached $13,000,000; in 1919 the revenue was $20,000,000, and expenditure $21,000,000; in 1923 revenue totalled $34,000,000, and expenses $49,000,000. Last year revenue amounted to $46,000,000 and expenditure $51,000,000.

During the period referred to, the debt of the province mounted constantly. In 1916 the funded debt stood at $52,000,000, and interest charges were $2,000,000. In 1919 the debt was $81,000,000, and interest $3,000,000. By 1923 the debt had increased to $255,000,000 and the interest was approximately $12,500,000. Last year the debt stood at $277,000,000, and interest amounted to $15,000,000.

To offset the rapidly increasing debt, a sinking fund was established. It now amounts to $12,816,163, which is about 4.6 per cent. of the funded debt. Under the present plan of retirement it will take an amount of $1,488,544 annually for 40 years to retire the debt. It is also planned that the Hydro Electric Power Commission retire its debt to the province in 40 years. The net hydro debt is now $127,198,146. It it estimated that the new plan will save the province $128,059,165 during the forty-year period.

Canada Steamship Lines Buys Playfair and George Hall Lines

(Continued from page 1)

Montreal, will be added to the board of Canada Steamship Lines.

The total operating revenues of Canada Steamship Lines showed only a fractional increase during the past year, but a drastic cut in the operating expenses increased the net revenues by almost $700,000. This increase in the net operating revenue was reflected in the net income after deduction of taxes and bond interest and all other charges.

The net income applicable to the preferred stock was $715,841, as compared with $143,819 in 1924. These net earnings do not equal the annual dividend requirements of the preferred stock and bear out the foregoing statement that there is no chance of preferred dividends for the present. It would not seem to be the policy of the present management to declare dividends which have not been earned during the past four years.

The income accounts for the past two years compare as follows:

	1925	1924	Increase
Operating revenue	$10,437,686.45	$10,247,479.97	$190,206.48
Other revenue	83,013.12	187,635.18	*104,622.06
Total revenue	10,520,699.57	10,435,115.15	85,584.42
Expenses	8,167,624.00	8,779,087.94	*611,463.94
	2,353,075.57	1,656,027.21	697,048.36
From which deduct:			
Interest on funded debt	659,238.13	688,951.01	*29,712.88
Other interest	11,783.05	10,061.50	1,721.55
Bond discount and expense written off	67,289.65	65,548.51	1,741.14
Reserved for depreciation	737,964.67	734,064.77	3,899.90
Bad debts written off and reserved for	73,958.34	13,582.43	60,375.91
Total deductions	1,550,233.84	1,512,208.22	38,025.62
Net profit	802,841.73	143,818.99	659,022.74
Reserved for income tax	87,000.00	....	87,000.00
Net income	$715,841.73	$143,818.99	$572,022.74

*Decrease.

The company's balance sheet will not make its appearance until the date of the annual meeting, but the liquid position has undergone a considerable improvement during the year and has increased by about $1,000,000. The present working capital is almost $4,000,000.

The former also owns some coal docks and concessions at St. Lawrence ports and also a pulp and paper mill at Ogdensurg, N.Y.

The management's report to the shareholders outlines the year's activities and says in part:

"The tonnage of bulk freight carried was somewhat lower than in 1924—principally due to the lower water levels available, but this was offset by additional revenue from other divisions on which traffic was not dependent on such water levels—this despite unusually severe weather during the months of October and November.

"Substantial savings were effected in the operation of the company's hotels on the lower St. Lawrence, resulting in the most satisfactory season since the inception of this service. Construction of the new golf course has been completed and all payments in connection therewith have been made. These properties have developed a large volume of new traffic.

"The ocean steamers have been sold during the year at satisfactory prices and the company's participation in the capital stock of the Intercontinental Transport Services has been disposed of without loss—while advantageous traffic agreements for the handling of import and export package freight have been arranged.

"The two new package freight steamers are practically complete and will be ready for delivery at the opening of the 1926 season. Ninety per cent. of the contract price of these steamers was paid to the Davie Shipbuilding & Repairing Company, Limited, as at December 31, 1925, and payment will be completed upon delivery. The outstanding notes, amounting to $226,000 on the steamers Lethbridge and Kamloops, which were referred to in the 1924 report to shareholders, have been paid since January 1, 1926.

"Further improvements in the package freight services have been secured, and on the recommendation of your officers and with the approval of your board, contracts for two additional package freight steamships of full Welland Canal size have been placed with the Davie Co. at prices which compare favorably with those of competitive builders of the highest class. These two new steamers, in the construction of which Canadian labor and material is being used, wherever possible, will be completed and placed in commission not later than August, 1926.

"The figures covering the company's operations to date for 1926 indicate plainly that the policy of economy is being maintained and it is expected that further satisfactory progress in this direction will be made, while with the brighter prospects throughout Canada and with the business already closed it is conservatively predicted that a general betterment of the company's position may be anticipated."

What's Wrong With Shorthand?

Executives Say:—

"It's the 'ring and wait' system."

"If she could only take it as fast as I think."

"She can't help me with other things."

"If I could only dictate while it's fresh in my mind."

"Out sick, so my letters have to wait."

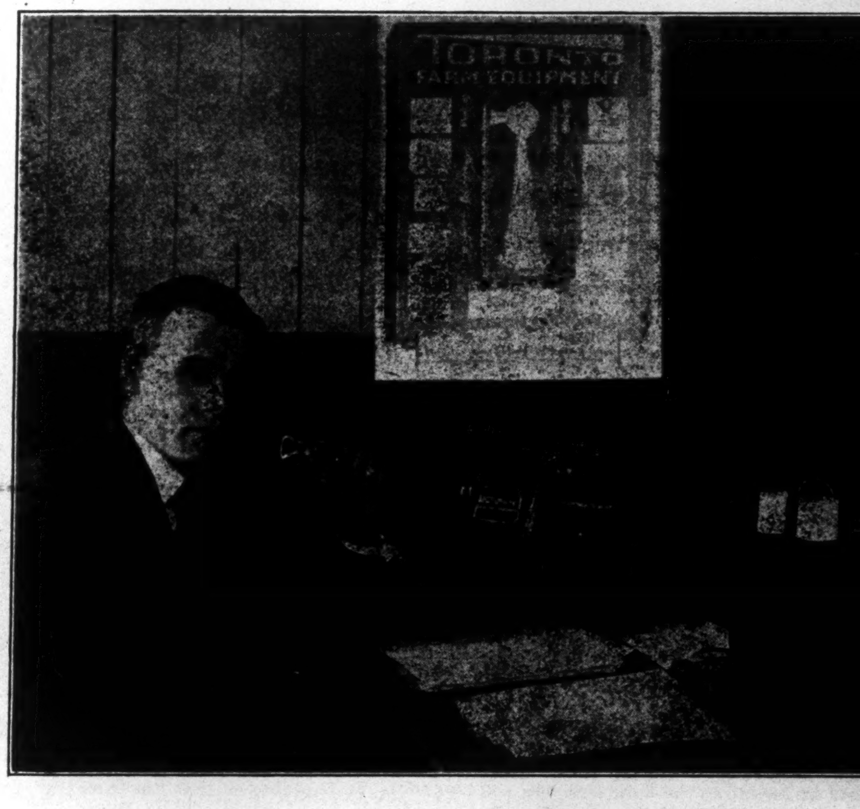
"Pshaw! she's gone. I'll have to wait till to-morrow."

"I had all this clear in my mind last night."

"She can't get out all she's taken."

"I'm forced to cut dictation short."

That's enough! I'll send in the coupon below on general principles.



M. L. Quigley

Secretary of the Ontario Wind Engine & Pump Company, Ltd., of Toronto, and branches in Montreal, Calgary and Regina, in whose opinion "the great convenience of The Dictaphone outweighs even its economy!"

What's Wrong With Shorthand?

Secretaries Say:—

"Those awful waits while he chats over the phone."

"Nothing doing till 3 and then two days' work."

"No one else can read my notes."

"Hours wasted while he's in conference."

"I'm 10% secretary and 90% slave to my notebook."

"Yes, I do mind staying late."

"Cold notes are maddening."

"He talks so fast I'll be getting writer's cramp soon."

That's enough! I'll show him this trial offer right now.

Shorthand Couldn't Keep Pace With This Man's Correspondence—

How much faster can a man clean up his desk with The Dictaphone than with "pad and pencil" dictation?

***Answer:* As much as Mr. Quigley (*see coupon below*)**

FIFTY per cent. is our conservative estimate, though many executives claim as much as 100 per cent. Mr. Quigley doesn't furnish any figures, but his comments on the part which The Dictaphone plays in his business should interest every busy executive whose correspondence figures large on his daily schedule.

As secretary to the Ontario Wind Engine & Pump Company—manufacturing Silos, Water Tanks and "Toronto Farm Machinery," and operating a large galvanizing plant—Mr. Quigley supervises collection work and campaigns involving the output of an enormous number of letters *every day*.

"It is a tremendous advantage," says this executive, "to be able to dictate whenever the opportunity presents itself—without being held up by previous correspondence being unfinished, as is so frequently the case with shorthand dictation. Then, too, Dictaphone dictation insures accurate letters—no matter how many there are or how technical their language.

MARY O'BRIEN

Secretary to Mr. Quigley, who strongly urges every secretary who wants to increase her efficiency to "try The Dictaphone."

"We have, in fact, obtained such good results from using The Dictaphone that I am anxious to pass on the good news."

Miss O'Brien, Mr. Quigley's secretary, believes—with most other girls doing secretarial work—that "The Dictaphone is one of the biggest advances towards real efficiency in the stenographic line that has yet been made." But its outstanding advantage, in her estimation, is "The relief it affords from the nervous strain of high-speed note-taking, as well as from the eyestrain involved in reading shorthand notes — both of which frequently undermine the health and lower mental efficiency."

MAIL WITH YOUR LETTERHEAD TO Dictaphone Sales Corp. Ltd.

33 Melinda Street, Toronto

T. R. CRAYSTON, Manager for Canada

☐ I want to read what leading executives or secretaries say about increasing their ability with The Dictaphone. Mail me FREE copy of your booklet, "What's Wrong With Shorthand?"

☐ I am a Secretary ☐ Executive [Check one]

☐ Please notify your nearest office to lend me a New Model 10 to try. I understand that this loan involves no expense or obligation.

DICTATE TO THE DICTAPHONE

"Reg. Canada"

and double your ability to get things done

News of the Mines: A Department for Executives and Investors

Conducted by DANIEL E. CUSHING, Mining Editor, The Financial Post.

CHANGE IN METHOD COMPUTING VALUE SAVED THE RECORD

Last Year's Figures Were Close to the Previous High—Gold and Lead Up

Had it not been for a change in the method of the Federal Department of Mines in computing the production of nickel the mineral production of Canada for 1925, which totalled $224,846,237, would have greatly exceeded the previous high record of 1920, $227,859,665. In the past years there has always been a material difference between the figures of the Ontario Department of Mines and the Dominion Bureau of Statistics on the nickel copper production. Last year the two departments got together and adopted the same method of computing the nickel.

Computed on this new basis the 1925 total of nickel was 73,857,144 lbs., value $15,946,672, as compared with the 1924 figures of 61,356,451 lbs., value $12,126,709. Among the metals the remarkable productions of gold, lead and zinc were the most outstanding; improvement in output marked the totals for nickel, copper and gold; silver showing little change; there was an increase in the iron ore exported from the mines.

Asbestos sales increased during the year, while there were also increases in the production of many of the non-metallic minerals. British Columbia's wonderful production of lead raised the total of this metal far beyond all previous records; production amounted to 253,207,987 lbs., value $23,092,568 as compared with 175,485,499 lbs. in 1924, value $14,221,045.

Ontario with $30,197,622 in gold production led the way by a large margin and in addition there was a very considerable amount produced in British Columbia ores, Yukon placers, as well as small quantities for milling ores mined in Manitoba and Nova Scotia. Silver production showed a slight increase in the number of ounces, 1925 being 20,003,970, as compared with 19,736,323 in 1924, with the 1925 value of $13,815,742, as compared with 1924, $13,180,413. Silver prices in 1925 showed the higher average than the previous year. Cotton production for Canada was 111,417,703 lbs., value $15,645,274, which is a very material increase over the 1924 figures of 104,457,447, value $13,604,538.

British Columbia's production showed the greatest gain. The great bulk of the production of British Columbia was evenly divided between the Britannia and Granby property. Sudbury smelters showed an increase of 2,591,235 lbs. to a total of 39,704,424 lbs.

METALLIC	1924	1925	Increase %
Gold	$31,532,443	$35,976,970	14.1
Silver	13,180,113	13,815,742	4.8
Lead	14,221,345	23,092,568	62.4
Nickel	19,470,178	15,946,672	x18.1
Copper	13,604,538	15,645,274	15.
Zinc	6,274,791	8,435,342	34.4
Cobalt	1,682,395	2,328,517	38.4
Platinum	1,091,427	1,028,192	x5.8
Palladium	811,893	648,969	x2.0
Arsenic	348,293	130,190	x62.6
Bismuth	27,913	40,876	46.4
Iron Ore	96,521	98,774	....
Molybdenite	9,370	11,176	19.3
Total	$102,406,528	$117,189,262	14.4
Non-Metallic			
Coal	$53,593,988	$49,092,649	x8.4
Asbestos	6,710,830	8,995,854	34.
Nat. Gas	5,708,636	6,710,879	17.6
Gypsum	2,208,108	2,402,483	8.8
Salt	1,374,780	1,410,797	2.6
Petroleum	467,400	1,188,155	154.2
Total	$71,796,009	$71,435,327	x0.5
Structural Clay			
Cement	$13,398,411	$14,046,704	4.8
Stone	6,407,757	5,964,658	x6.9
Sand-Gravel	3,181,083	3,299,696	3.7
Lime	3,178,541	3,407,015	7.2
Brick	5,932,253	5,170,450	....
Sewer pipe	1,594,280	1,446,608	x9.3
Tile	1,372,661	1,576,082	....
Total	$35,380,869	$36,221,648	2.4
Grand Total	$209,583,406	$224,846,237	7.3

Production by Provinces:—

	1923	1924	1925
N. Scotia	29,648,893	23,820,352	17,667,237
N. Brunswick	2,462,457	1,969,260	1,743,742
Quebec	20,308,763	19,136,504	23,173,643
Ontario	80,825,851	86,398,656	87,722,491
Manitoba	1,768,037	1,534,249	2,178,241
Saskatchewan	1,047,583	1,128,100	1,086,829
Alberta	31,287,536	22,344,940	25,005,718
G. Columbia	43,757,388	52,298,533	64,481,869
Yukon	2,972,823	952,812	1,786,467
Total	214,079,331	209,583,406	224,846,237

xDecrease.

Dome to Take the Hammill-Howie Claims

From sources which in the past The Financial Post has found reliable, comes word that Dome will take up their option on the Hammill-Howie claims in Red Lake. A little time ago the Dome people asked an extension on the option. A fortnight's enlargement was given, and this expires Monday next. In the interval Dome men have been doing what they could on the claims, and now it appears that these surface examinations have led them to the belief that the claims are worth buying—that they have splendid possibilities of developing into a mine.

Just what is the purchase price for these claims is not known. The initial payment, to be made when the option is taken up, is believed to be $50,000.

If Dome has definitely decided to take up the Hammill-Howie option it means much for the Red Lake camp. It means work will be commenced on a large scale in the spring. Dome now has a diamond drilling outfit on the way in. They will certainly rush in more equipment and the summer of 1926 will see actual development work done in this new camp in addition to the exploratory work which will follow the pure chance snow staking now taking place.

Gold Mines Treat Lower Grade Ore as Tonnage is Increased

Production for Northern Ontario's Gold Mines for 1925, presents a very interesting picture. Below will be found tables dealing with the past three years giving the production and the average recovery per ton by mines.

This clearly sets forth the remarkable growth of such mines as Hollinger in these three years. Taking a year on the 300-day basis it will be noticed that the average tonnage has jumped up about 2,000 tons a day, while the increase in production has been a little better than $16,000 per day. Hollinger it will be seen has materially improved its mill heads. The 1925 total with its tremendous increase showing the best extraction in the three years of the review.

Dome, on the other hand, while having increased its tonnage by about 130,000 tons, or 400 a day, has only about held its own in the total value of production.

The columns dealing with the recovery per ton, explain this condition very clearly. McIntyre on the other hand, has made a similar increase in the tonnage treated in the three years, but has also added to total production at the rate of about $4,000 daily. It will be found that there has been a slight decrease in the average content of the McIntyre ore, but it has been more or less meagre.

Vipond bettered its 1924 tonnage by slightly under $10,000, but the value in production fell about $30,000, due to the lower grade ore treated as shown in the recovery per ton figures. It will be heartening to shareholders of Consolidated West Dome to see that there has been an increase of about 60c. per ton in the recovery at the mine. Night Hawk on the other hand has fallen off considerably to the 1924 figures.

Kirkland Lake, Lakeshore and Lake Hargreaves, each added about 3,000 daily to their 1925 production over 1924. Lake Shore's output for the year was more than 3 times that of 1923, while Lake Hargreaves was two and a half times.

As was to be expected Lake Shore's millheads were down slightly from last year and better than $5.00 below 1923. Wright Hargreaves average content is the highest in the mine's history, beating the 1924 records by 10c. It was in 1924 that the very high grade ore was found on the 1,000 foot level, which materially increased the average content, as shown when these figures are compared with the 1923 average.

Teck Hughes recovery is down. The mine handled a substantial increase in tonnage but a much lower overage grade. The figures show a decrease of $11.00 per ton, compared with 1923 figures. Both Tough-Oakes and Argonaut did much better during the year, while Barrie-Hollinger makes its initial appearance. The figures will be found in the following table.

Mine	Tons treated			Production			Rec. per ton		
Porcupine—	1923	1924	1925	1923	1924	1925	1923	1924	1925
Hollinger	1,366,352	1,659,475	1,929,988	10,391,324	13,353,171	15,749,110	7.08	8.05	8.18
Dome	399,900	493,400	530,200	4,354,107	4,285,422	4,365,923	11.80	8.68	8.23
McIntyre	291,428	390,497	419,640	2,532,867	3,579,401	3,722,109	9.05	9.17	8.87
Vipond	2,623	52,301	61,294	23,760	595,006	565,600	...	11.38	9.22
C. W. Dome	....	8,114	35,278	....	60,424	287,758	...	7.45	8.15
Night Hawk	....	38,326	39,778	....	256,855	196,947	...	6.70	4.09
Kirkland Lake—									
Lake Shore	23,203	56,168	104,765	546,369	1,096,712	1,958,720	24,01	19.52	18.69
W. Hargreaves	79,242	84,487	147,939	751,782	1,084,447	1,913,402	9.49	12.83	12.93
T. Hughes	38,314	44,209	55,220	1,115,342	1,020,166	996,943	29.11	23.07	18.05
Kirkland Gold	45.499	8,091	....	222,153	46,219	....	4.88	5.71	....
Tough-Oakes	8,803	8,438	34,152	11,984	47,149	263,064	6.64	5.59	7.70
Argonaut	....	24,178	28,516	....	151,939	215,545	...	6.28	7.56
B.-Hollinger	....	....	8,136	....	....	56,978	...	...	6.98

NORANDA TREASURY SHARES TO GO AT $10

Shareholders Will Have Opportunity to Purchase at Ratio of One to Ten

Final announcement of Noranda's financing plans embraces an offer to shareholders for subscription at $10 per share, 163,400 shares of the capital stock of the company in the proportion of one share for each ten shares of Noranda stock held according to the books of the company on Saturday, March 20. The subscription privilege will expire at 3 p.m. on Monday, April 12. Warrants will be mailed to shareholders as soon as practicable after March 20 specifying the number of shares for which each shareholder is entitled to subscribe under this offer.

President J. Y. Murdoch, in a circular to the shareholders, gives an outline of the steps taken by the directors toward bringing the Horne mine into production. The directors, he states, "have caused the company to be incorporated under the Quebec Companies' Act under the name of the Horne Copper Corporation, with an authorized capital of 2,000,000 shares without par value, and exercised the option which your company held to purchase the Horne property by paying to the optioners, $250,000 in cash, a reduction of $33.000 being given for prepayment and delivering to the optioners 200,000 fully paid shares of Horne Copper Corporation, the balance of the Horne Copper Corporation stock being issued to your company. Subsequently arrangements were made whereby your company purchased said 200,000 shares of Horne Copper Corporation by the issue and allotment of 125,000 shares of the capital stock of your company.

"Crown patent to the Horne property has been taken out in the name of Horne Copper Corporation, and your company is now the owner of all the capital stock of said corporation, with the exception of the qualifying shares for the directors."

Associated Goldfields Asking For Finances

Canadian Associated Goldfields with slightly under $22,000,000 shares of an authorized capital of $30,000,000 of $1 par value, issued and which a few years ago had over $1,000,000 in cash in its treasury, is evidently out of funds. The company has a mill partly constructed on its property adjoining Crown Reserve in Larder Lake and the delay which seemingly has taken place in the final construction of the mill, would seem to be due to this fact. Shareholders, who have waited for many years for some returns on their money invested, are being asked to take $100 gold notes to finance the completion of the mill. James Dobson, director, has sent out the letter to the shareholders, asking each to loan the company $100 and take a gold note for it.

This is the second operation which the company has carried in its effort to make a mine. They spent a tremendously large amount of money on the Reddick-Harris-Maxwell properties only to finally give them up. The company has two water powers. Raven Lake 12 miles from the mine has been producing some considerable time, while at Windigo Lake the company is developing a much larger power, which is expected to produce 10,000 h.p.

Will Treble Output of Pt. Colborne Refinery

International Nickel Company will spend three-quarters of a million dollars this year on enlarging its Port Colborne Refinery. The increased demand for electrolytic nickel has made such a step necessary. The present plant can produce 350,000 pounds per month. The new equipment will add 600,000 pounds per month, bringing the total production to close to 1,000,000 pounds. The plans which the company have prepared provide for six such units. The other five will be erected as the demand for nickel increases, as the company expects it will increase with leaps and bounds from now on.

Premier Has Opened Up New Body of Ore Same as High-grade of Early Days

Dale L. Pitt, manager of Premier Mine, Portland Canal, B. C., says that operations in the higher levels reached by No. 1 tunnel have resulted in the striking of a body of ore of a character similar to that from which first big profits of the mine were made. It will be recalled that in the early mining of this property stupendous values were secured and immense profits made from high grade ore. Probably this report and the splendid record of Premier has resulted in the recent strength in the shares. R. P. Clark & Co., Vancouver brokers, say that large orders have been placed on the coast exchange. They say Premier has always been considered a very low priced stock and wonder was expressed at the yield which could be secured in the purchase of these shares. Premier is in a strong position and likely to continue paying substantial dividends for years to come.

REORGANIZE BALDWIN

Plans are going on quietly for the ultimate reorganization of the Baldwin Gold Mines at Kenogami. This property is well regarded by a lot of good mining engineers, but has never had real testing out. It is believed that the new control has hopes of ultimately working the company around to reorganization into a much more substantial and business-like concern than it has hitherto been.

Contract Closed For Diamond Drilling

FOLLOWING the announcement made to the shareholders at the annual meeting held last week, the Directors of Siscoe Gold Mines Limited, have closed a contract for diamond drilling.

The programme arranged for includes the exploration at depth of the veins intersected on the 100 ft. level, by crosscut from Shaft "D." At a distance of 624 ft. from Shaft D in a southwesterly direction, vein "K" was intersected and drifted on for a distance of 66' east of the crosscut and 106' west of the crosscut. With all visible free gold eliminated the assays from "K" vein average $11.00 a ton in gold.

A short crosscut south from the "K" vein penetrated alternating bodies of schist and porphyry to a width of about 30 feet and is still in schist.

Another vein known as the "Siscoe" vein was intercepted in a northwesterly direction from Shaft "D" and has been drifted on for about 150 ft. This vein shows values all the way, but gradually increasing, until at the last point sampled the assay ran $9.00 in gold, per ton, over a width of approximately 20 feet.

These showings have proved so encouraging that all work on the other shafts has been suspended.

Siscoe Gold Mines
Company Limited
606 Shaughnessy Bldg. Montreal, P.Q.

OLD CENTRAL B.C. CAMP IS REVIVING

Lillooet Section Again Centre of Interest—New Operations Start

Lillooet, B.C., for 17 years the centre of gold mining in Central British Columbia, a centre which has passed through many booms, with quiet periods in between, is coming back again strong. The outlook is very bright for this section of British Columbia, and it may also bring the P. G. E. Railway again into prominence and perhaps to prosperity.

Lillooet's first boom was 1861 and 1862, the Caribou. Then followed the discovery on Payoosh Creek in the early 80's which ultimately led to the finding of quartz in about 1886 and the Gold Cache in 1896. The prospects of Cadwalleder picking a real camp is now better than ever. A couple of years ago the Pioneer Mine was opened. It has paid well. Reports are that $10,000 to $15,000 per month is being taken out. This had attracted attention to other properties and several are being opened up. The Pioneer group has been optioned to the same New York interests who are operating the Engineer Mine at Atlin. The deal with the Pioneer is said to involve $250,000.

KERR LAKE MINES, LTD.,
61 Broadway, New York.
DIVIDEND No. 25.
The Board of Directors have this day declared a dividend of 12½c per share on the capital stock of the Company, payable April 15, 1926, to stockholders of record at the close of business on April 1st, 1926. Books will not close.
E. H. WESTLAKE, Treasurer.

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Red Lake
Is heralded as the next big gold camp. Do you know where this much-talked-of district is?
The current issue of THE FORTNIGHTLY REVIEW contains both a map showing Red Lake's location in relation to Cobalt, Porcupine and Kirkland Lake; and also a descriptive article dealing with its possibilities.
You will find this issue especially interesting and instructive.
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News of the Mines

ONTARIO'S MINERAL OUTPUT IN 1925 BEAT ALL RECORDS

Total of $85,792,636 is $5,000,000 Above the Previous High

Ontario's mineral production for 1925, was $85,792,636, or $8,500,000 higher than 1924, and $5,000,000 higher than 1918, previous high. The decline from $80,000,000 which marked the intervening period from 1918 to 1925, was due to the severe falling off in the production of nickel copper by the mines at Sudbury. The 1925 production of these mines, while slightly under $16,000,000 for nickel and $4,000,700 for copper, total $20,000,000, was still $15,000,000 under the total for 1918, though double the output of 1922. The remarkable increase, of course, has been in gold production. In 7 years the total has moved up from $8,500,000 in 1918, to $30,204,545 in 1925. Silver production on the other hand in 1925, shows a decline of more than $10,000,000, when compared with 1918, is slightly under 1922 total, above 1923 and slightly under 1924.

The total metallic production for the year was $62,740,000, or not quite $4,000,000 under the total of 1918, but materially higher than any year since. Non-metallic runs along fairly conservatively, while the 1925 shows material decline in construction material output. Compared with 1918, however, the total is more than double. The same would apply to clay products.

Five figures are shown in the following table:

Product	1918	1922	1923	1924	1925
Metallic					
Gold	$ 8,502,480	$20,579,569	$20,136,287	$25,669,303	$30,204,545
Silver	17,415,882	7,800,029	6,843,364	7,233,078	7,084,864
Platinum metals	....	924,712	1,418,633	1,891,497	1,675,706
Cobalt	1,615,130	1,080,873	1,456,583	1,662,526	2,328,517
Nickel	27,840,422	7,038,202	9,572,662	11,309,326	15,946,673
Other Nickel & Cobalt comp.	73,347	255,034	347,289	....	....
Copper, metallic & in matte	8,532,790	2,069,824	3,456,067	3,825,294	4,764,682
Iron ore	624,364	25,261	26,452	110	....
Pig iron	1,364,736	340,730	423,298	91,862	72,878
Lead, pig	149,841	173,742	347,886	419,405	605,200
Molybdenite	59,067	....	....	....	....
Zinc	....	2,181	....	....	18,681
Bismuth	....	....	48,139	27,913	40,876
Total	66,178,059	40,290,157	44,076,660	52,130,314	62,740,622
Non-Metallic					
Abrasives	26,120	....	100,000	9,272	945
Actinolite	2,508	575	583	1,225	500
Arsenic	566,332	299,940	582,785	309,108	113,212
Asbestos	....	....	2,600	91,900	....
Barite	900	....	4,180	....	....
Feldspar	111,173	120,576	134,822	216,791	119,747
Fluorspar	153,190	3,905	597	1,343	200
Graphite	208,848	34,124	65.557	72,842	90,000
Gypsum	151,564	621,668	542,317	467,097	491,833
Iron pyrites	1,144,737	39,763	99,716	44,542	8,799
Mica	49,575	56,480	110,290	172,252	77,534
Mineral water	133,808	10,528	14,047	13,133	25,452
Natural gas	2,498,769	4,012,767	4,066,244	4,076,014	3,888,397
Peat fuel	....	14,500	....	....	8,394
Petroleum, crude	781,097	466,587	478,149	390,424	366,732
Quartz (silica)	452,711	146,446	510,410	221,452	320,810
Salt	1,287,039	1,573,657	1,674,365	1,337,311	1,466,550
Talc and soapstone	246,691	178,397	125,124	130,577	174,116
Total	7,815,062	7,591,913	8,511,786	7,555,283	7,162,640
Construction Materials					
Cement, Portland	1,910,839	6,235,370	5,855,589	5,668,671	5,253,911
Lime, quick and hydrated	872,177	1,767,543	1,893,663	1,840,152	1,974,334
Sand and gravel	553,638	1,816,320	1,623,317	1,587,913	1,000,000
Sand-lime brick	91,508	851,007	897,960	512,361	725,906
Stone, bldg., crushed, etc.	969,239	2,969,926	2,869,228	2,789,368	1,879,519
Total	4,297,401	13,640,166	13,139,757	12,398,465	10,833,670
Clay Products					
Brick face ....M				2,203,617	2,053,017
Brick, common ...."				944,892	1,060,791
Brick, fancy and orn. ...."	1,062,152	4,793,224	4,191,145	88,857	21,728
Brick, sewer ...."				40,922	37,082
Tile, drain ...."	309,899	368,180	283,662	373,980	318,217
Tile, structural	195,588	720,101	790,475	465,022	585,426
Sewer pipe copings, flue-linings, etc.	362,536	973,824	925,858	851,327	893,443
Pottery ....M	88,275	88,889	78,000	84,100	86,000
Total	2,018,450	6,944,218	6,269,140	5,137,865	5,055,704
Grand Total	80,308,972	68,466,454	71,997,343	77,221,927	85,792,636

ABANA MINES ARE STRONGLY CRITICIZED

Quebec Minister of Mines Makes Statement in Regard the Operation

An exposè of Abana Mine operating in Quebec was recently made in the Quebec Legislature by Hon. J. A. Perrault, minister of mines. Judging from the minister's remarks, some audacious propaganda is being carried on by this company. The minister referred to a publication in the city of Quebec in which an advertisement of Abana Mine appeared and which stated that the mine is an extraordinary one, having solid veins of metal, producing $75 to the ton; the shares have reached 50c., that $2,000,000 worth of metal has been sounded by drilling, that shares are scarce and are eagerly sought by capitalists; and finally that Hon. Mr. Perrault, the minister of mines, has subscribed for 1,200 shares.

The Quebec minister of mines declares he never subscribed for a single share of the stock and never would do so. He warned the public to be on its guard against those who sought to sell them shares in this company, for it appears that it was an attempt to deceive the public. The statement that the ore was $75 a ton was exaggerated as to be ridiculous, for the reports of his department on the mine indicates that there was no reason for such claims.

Much Gossip About in Regard Beaver's Position

There is a lot of gossip about in regard to the present position of the Beaver Mines. The Beaver's main asset has been a substantial block of the preferred and an additional block of the common stock of the Kirkland Lake Gold Mines. There are reports of dissatisfaction on the part of the shareholders, who it is said surmise that a considerable part of the holdings of Beaver in Kirkland Lake common shares have been sold to finance the development of Beaver Auxiliary. It is being suggested that there may be a shakeup at the annual meeting of Beaver and that a move may be launched to have the company distribute among the shareholders on a pro rata basis, its holdings in Kirkland Lake Gold common.

Montreal Mining Exchange Held Its Annual Meeting

The annual general meeting of the Montreal Mining Exchange was held this week, when the retiring committee under the presidency of Walter Kavanagh rendered their report for the year 1925. The report was favorably commented upon by all members, 24 out of the 25 members of the exchange being present.

The following officers were elected for the ensuing year: President, Walter Kavanagh, of Walter Kavanagh & Co.; vice-pres., T. W. Anderson, of Stobie, Forlong & Co., Ltd.; sec.-treas., J. W. Green; asst. sec., G. H. Benson. Members on Governing Committee: R. B. Holden, of A. E. Moysey & Co., Ltd.; Victor Rigot, of Wintemute & Co.

GUGGENHEIMS DROP OPTION

Federal Smelting, a Guggenheim Co., has dropped its option on the Sally Mine at Beaver Dell, B. C., after having made a cash payment of $10,000 as well as 50 per cent. of the smelter returns from ore shipped. Wallace Mountain Mines, original owners, will proceed with the development of the property.

Goudreau Gold Mines Has Produced First Gold Brick

Goudreau Gold Mines, Michipocoten district, this week poured its first gold brick. It weighed about 40 pounds, value $12,000. It brings the 20-year old camp back as a producer. Some of the mines of the district produced in a small way years ago.

Advices from Goudreau say other bricks are on the way. Three more carloads of equipment and supplies for the Pioneer Syndicate operating at the Cooper property at Wawa, left Hawk Junction recently.

J. P. Moran of Chapleau was in Lochalsh for two days to meet an engineer of Hollinger Consolidated. Together they looked over Moran's gold properties in the Dog Lake section three miles from Lochalsh, and also inspected the molybdenite find, in which Moran and Chapleau associates are interested.

MINING STOCK QUOTATIONS

Week Ending March 9.

	High week	Low w'k.	Close M'r 9	Close Mar 2	Sales week
Amulet	1.25	.90	1.00	1.15	68475
Apex	4	3½	4	4½	12500
Argo. Cons.	36	28	33¼	33	165600
Area	37	24	33	28	16400
Atlas	4	3	4	3¼	40800
Baldwin	3	2¼	2½	2⅞	67300
Barry Holl.	44¾	35	41	44	211780
Beaver	82	62	74	72¼	155400
Bidgood	8	6¾	7	8½	16000
Chaupt H.	21	15½	19	17	60850
Bourlamque	9.00	8.65	9.00	8.75	14065
Buckingham	4	3¾	4	4	3000
Can. Lorrain	81	69	78	72	95350
Capitol	46½	42½	44½	46	138110
Castle Tre.	1.70	1.41	1.60	1.58	109150
Clifton	3½	2¾	3	3	5000
Coniagas	4.21	4.20	4.20	4.25	600
Coniarum	4.00	3.85	4.00	4.00	316
Col. Kirkland	4¼	3½	4	4	37800
Cons. Smelters	220	165	194	220	75840
Cons. W. Dome	24	19	21½	22	341450
Crown Res.	21	16½	18	20	156400
Davidson C.	3	3	3	3	13500
Dome Mines	19.40	17.00	18.60	18.00	14305
Everett	9¾	6½	9	9¼	63100
Gold Hill	41	36	38	42	17300
Goldale	36	33	33	35½	59000
Gold Reef	3½	2¼	3	2½	65000
Haultain	9	9	9	..	5000
Hattie pref.	¾	¾	¾	1¾	3500
Hillcrest pref.	83	83	83	83	5
Hollinger	18.75	17.50	18.35	18.70	8596
Indian	10	5½	10	6	34300
Kirk. Hunton.	30	24	28½	30	47900
Int. Nick. com.	39½	36½	39¼	38¼	3292
Keeley	1.60	1.43	1.50	1.60	51559
Keora	13	10½	11½	10½	136350
Kirk. Lake	2.04	.95	1.05	1.09	218575
Lakeside	2½	2¼	2½	2½	180200
Lake Shore	10.95	9.50	10.20	10.70	15899
La Rose	34	20	25½	21¼	180100
Lorrain	9	7½	8¾	8½	49600
Laval, Que.	35	31	31	32	70300
McKinley	23½	20	21	23	59100
McIntyre	25.60	23.50	24.80	25.00	31380
Montreal Rouyn	40	40	40	56	100
Mining Corp.	4.00	3.30	3.80	4.05	56590
Moneta	16	16	16	15	7500
Millcrest	19½	15¾	19½	16	96700
Noranda	15.00	12.00	13.90	14.25	30968
Newray	40	38½	39¾	40	31850
Nipissing	6.45	5.75	6.45	6.00	5820
Night Hawk	7	5	6½	5½	56600
Ophir	3	3	3	3	6600
Penly Silver	12	11	11	..	2000
Porc. Crown	9¼	6½	6½	6½	10000
Premier Gold.	2.65	2.40	2.60	2.50	18550
Preston	8½	7	8	8	33100
Teck-Hughes	3.30	2.85	3.20	3.26	334922
Thomp. Krist.	2	2	2	2	1000
Timiskaming	12	12	12	14	400
Tough Oakes	53	42¼	53	50	232650
Siscoe	16	16	16	16	1000
Vic. Silver	9½	6	9	7½	97500
Vipond Cons.	1.73	1.51	1.61	1.68	167525
Wakenda	2½	2½	2½	1½	1500
Wasapika	2½	2¼	2½	2½	37500
West Tree	3	2½	3	3	8800
Wettlaufer	5	5	5	5	2000
Wright Har.	8.55	7.35	8.50	8.50	4912
Vickers	63	60	60	60	18500
Rouyn	5	3¾	3¾	5	67650
Rouyn Que.	4½	2½	3	3¼	16600

MANITOBA MINING GETTING DOWN TO PERMANENT BASIS

Substantial Developments in South East and the North West

Manitoba is now enjoying the first permanent mining within its boundaries both in the south-eastern part of the province and the north-western section. In the south-eastern section embracing the Long Lake-Bulldog Lake area, is the W.A.D. property which has now been developed to a depth of 375 feet and has shown values consistent with the high grade Kirkland Lake ore. A mill will be erected in this property during the year as development has gone far enough to warrant it. To the east of the W.A.D. Syndicate is the Criderman property now owned by the Mining Corporation. Here a large crew is at work and a shaft is now being sunk. It is understood the values obtained were so extremely high that resampling was done to safeguard against salting, the checks were as highly satisfactory as the original sampling. The Victoria Syndicate has just completed a deal involving $200,000 in this section and work has commenced on their property also.

This section is, no doubt, a continuation of the Red Lake district. Red Lake lies about 50 miles east and when one considers that the values here have been so high it is only natural that Red Lake should also have wonderfully high values.

In February 100 tons more of the Flin Flon ore was sent to Denver for further testing purposes, and a small pilot smelter will be erected at Flin Flon this summer to test the ores out on a commercial scale. The process is a new one and is owned by the Complex Ores Co. of Denver, Colo. This new process is a much cheaper one than any at present in use—and as it is necessary to separate the zinc copper ores, it is of vital importance to reduce the loss of each content as much as possible as the grade ore at Flin Flon is $1.80 gold, $1 silver, 2¼ per cent. copper, and 5 per cent. zinc, giving a net value of $13 to $15 per ton.

The most important development in Manitoba, however, is the Sherrit Madole property at Coal Lake, 30 miles north of Flin Flon. This property is under option to David Fasken of Toronto, and E. P. Earle of New York, who became interested through J. P. Gordon of The Pas.

The Mining Corporation sent an engineer to see the property and an offer of $50,000 was made. It was rejected, however, by the owners and then Mr. Gordon made an offer of $300,000 and a $10,000 cash payment which was accepted, Mr. Gordon putting up the money personally, he then went to New York and interested Messrs. Earle & Fasken.

Two diamond drills and a large crew of men were sent in to the property, camp was built, and diamond drilling was commenced Feb. 1. Since five holes have been put down all in ore.

The ore has been exposed by trenches for a distance of one and a half miles and has a width of from 40 to 70 feet, the ore content varying from high grade copper to zinc in places. The ore is of much higher value in ore metals than the Flin Flon ores and many think it will now be the larger and more valuable property. At least the values are from three to five times higher than the ores at Flin Flon.

The Coal Lake district has had several good zinc finds made, and it has great promise of developing into at least another Flin Flon.

Transportation has been the great drawback to Northern Manitoba; however, Premier Bracken took the matter up in his speech from the throne and if the Canadian National do not build in the Manitoba government will.

The C.P.R. has surveyed to the Flin Flon Mine, a distance of 131 miles, while the distance for a railroad from Mile No. 7 on the Hudson Bay line would mean a line 78 miles in length which will pass through a large part of the mineral belt.

Northern Manitoba will experience a rush this summer as many of the larger American mining companies have their engineers up there looking at all new finds, also some have large prospecting parties out.

The Maudy Mine which shipped $3,000,000 in high grade copper ore in 1917-18-19 will reopen and further develop its property as they have left in the mine many millions in zinc and copper ore. Also the Callman McKay Exploration Co. will diamond drill their property during the summer.

The future of Manitoba mining is now assured and by the most powerful companies engaged in mining, this means that the development will proceed without recourse to the public for funds, being a situation entirely unique.

Commercial Ore Over Great Width on the Howey in Red Lake

The vein on Howey Red Lake property has been opened up 1,200 ft. in length and shows commercial values over the immense width of 66 feet. Jack Hammill, head of the syndicate, who has been sampling the property with Douglas Wright, geologist of the Dome Mines, brought this information out from Red Lake. Ten or twelve feet of the vein, he says, averages $50 to $75 per ton, while over 30 feet in width the ore is of medium grade, while considered as a large low grade proposition the mine would be profitable to operate to a width of 66 feet.

ARGONAUT CONSOLIDATED MINES

Well before the end of the month Argonaut Consolidated Mines will have opened up its property to the 1,000 foot level. The level will be established at that point and one above at the 875 foot level, and the expectations are that a very material increase in the oil reserve of the mine will result from this development. January production was $25,000.

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Market Activities of Significance

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Abitibi Power and Paper Company Limited

TWELFTH ANNUAL REPORT

For the Fiscal Year Ending December 31, 1925

To the Shareholders of the Abitibi Power & Paper Company, Limited

Your Directors herewith submit their report for the fiscal year ending December 31, 1925.

Operations for the year produced net earnings of $4,240,337.24, before providing for interest, income tax and reserves. Net profits, after all charges and reserves, were $2,869,916.50, out of which $70,000 was paid in Preferred Stock Dividends and $1,000,000 in Common Stock Dividends. Surplus for the year was $1,799,916.50, and the total earned surplus at December 31, 1925, after usual current reserves as shown in the attached statement and after transferring from surplus account to depreciation reserve an additional amount of $1,521,461.12, was $6,984,105.98.

Fixed assets were increased by the expenditure of $1,004,003.13 on the Company's Mills, Railroad, Townsite and new Power Plant. $688,300 of the Company's bonds were paid and cancelled. Current payables were reduced to the lowest practicable point, and total surplus and reserves were increased $2,430,296.11.

Production was increased an average of 12.3 tons per day over the performance in 1924 and an average of 37 tons per day over the performance of the same machines in 1923, a showing which reflects credit on the efficiency of the Company's manufacturing organization.

On behalf of the Board of Directors,

ALEXANDER SMITH, President.

Montreal, March 1, 1926.

BALANCE SHEET DECEMBER 31, 1925

ASSETS

CURRENT ASSETS:				
Inventories at Cost:				
Logs and Expenditures on 1925-1926 Season's Logging Operations			$1,077,551.36	
Paper, Pulp, Material and Supplies			603,753.31	
			1,681,304.67	
Accounts Receivable			1,319,406.82	
Cash on Hand and on Deposit			1,623,853.50	
				4,624,664.99
FIXED ASSETS:				
Lands, Water Powers and Timber Limits		$ 7,749,941.23		
Pulp and Paper Mills		17,998,383.03		
Office Fixtures		31,148.18		
			$25,778,472.44	
INVESTMENT IN AND ADVANCES TO ASSOCIATED COMPANIES:				
Capital Stock—Iroquois Falls Merchandising Company Limited		$ 10,000.00		
Capital Stock—Abitibi Lands & Forests Limited	50,000.00			
Advances to—Abitibi Lands & Forests, Limited	983,548.33			
		1,033,548.33		
Capital Stock—Abitibi Transportation an Navigation Co., Ltd.	423,400.00			
Advances to—Abitibi Transportation & Navigation Co., Ltd.	1,070,429.49			
		1,493,829.49		
Capital Stock—Abitibi Electric Development Co., Ltd.		100,000.00		
			2,637,877.82	
				28,416,350.26
OTHER ASSETS:				
Insurance and other Expenses Prepaid				47,899.97
				$33,089,415.22

LIABILITIES

CURRENT LIABILITIES:				
Current Accounts Payable			$565,283.51	
Liabilities for Construction Material and Material in Transit			163,352.42	
Fixed Charges Accrued			249,788.17	
Wages Accrued			55,100.31	
				$1,033,524.41
DIVIDENDS DECLARED:				
Payable January 1926				267,500.00
PROVISION FOR INCOME TAXES				221,348.34
FUNDED INDEBTEDNESS:				
Consolidated Mortgage 8 per cent. Gold Bonds:				
Issued—Maturing March 15, 1931		$4,500,000.00		
Less—Redeemed		1,159,900.00		
			$3,340,100.00	
Reserved for Refunding Underlying Bonds	$6,293,500.00			
For Additional Working Capital	1,684,500.00			
	$7,978,000.00			
First Mortgage 6 per cent. Serial Gold Bonds:				
Authorized		$5,000,000.00		
Less—Redeemed and Cancelled to date		2,353,500.00		
			2,646,500.00	
General Mortgage 6 per cent. Gold Bonds:				
Issued Maturing January 2, 1940		$4,000,000.00		
Less Redeemed		353,000,00		
			3,647,000.00	
				9,633,600.00
RESERVES:				
For Depreciation and Exhaustion			$8,752,915.48	
For Doubtful Accounts			15,236.73	
For Inventories			181,184.28	
				8,949,336.49
SURPLUS AND UNDIVIDED PROFITS:				
As per detailed Surplus Account				6,984,105.98
CAPITAL:				
Seven Per Cent. Cumulative Pfd. Stock—Authorized and Issued— 10,000 Shares of $100.00 each				1,000,000.00
Common Stock—Authorized and Issued—250,000 Shares of no par value				5,000,000.00
				$33,089,415.22

CONTINGENT LIABILITIES:

Bonds and other obligations of the Abitibi Electric Development Company, Ltd., Abitibi Lands & Forests, Ltd., and the Abitibi Transportation & Navigation Co., Limited, guaranteed by the Company to the extent of $2,470,956.13

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the Books and Accounts of the Abitibi Power & Paper Company, Limited, for the year ending December 31, 1925, and have obtained all the information and explanations which we have required; and we certify that, in our opinion, the above Balance Sheet at December 31, 1925, is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given to us and as shown by the Books of the Company.

PRICE, WATERHOUSE & COMPANY, Auditors.

Montreal, February 24, 1926.

Approved on behalf of the Board.

L. R. WILSON, Director.

VICTOR E. MITCHELL, Director.

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDING DECEMBER 31, 1925

Sales	$10,864,677.20
Cost of Sales, exclusive of Depreciation, but including General and Administration Expense	6,124,339.96
Profit before Allowances for Depreciation, Interest and Income Taxes	$ 4,240,337.24
Provision for Depreciation and Exhaustion	539,000.26
Profit before Allowances for Interest and Income Taxes	$ 3,701,336.98
Interest on Funded Debt, less Interest Received	611,420.48
Profit before Income Taxes	$ 3,089,916.50
Appropriation for Income Taxes	220,000.00
Net Profit	$ 2,869,916.50

SURPLUS ACCOUNT

Net Profit as above		$ 2,869,916.50
DEDUCT:		
Dividends on:		
Preferred Stock	$ 70,000.00	
Common Stock	1,000,000.00	
		1,070,000.00
		$1,799,916.50
Surplus as at December 31, 1924		6,705,650.60
		$ 8,505,567.10
Transferred to Depreciation Reserve		1,521,461.12
Surplus as per Balance Sheet		$ 6,984,105.98

GOOD NEWS

Nine Extra Years of Life

HEALTH is improving — disease is decreasing — life is lengthening. You and your family have a better chance to live long and happily than people ever had before in the history of the world.

Splendid gains have been made in the United States and Canada within the last thirteen years. Stated in an insurance man's language, five years have been added to the average expectation of life.

But more encouraging — in the same period, nearly nine years were added to the life expectation of Metropolitan Industrial Policyholders — a gain, over the general average, of four extra years.

How was this done? — Largely through the inspiring work of our Metropolitan men and women. They sent trained nurses to the homes of millions of sick Policyholders. They fought disease and taught the well how to keep well.

Your Health in 1926

Use the helps offered by medical science to prevent disease. You need never fear typhoid. Inoculation will prevent it. Your children need never have diphtheria. Anti-diphtheria treatments will safeguard them. Smallpox will not touch your family if all are vaccinated when necessary. One by one, dread diseases are being conquered. In ten years the tuberculosis death rate has been reduced more than one-half. Five years ago the diphtheria death rate alone was higher than that today for diphtheria, scarlet fever, measles and whooping cough combined.

Send for a Life Table

Have you ever seen the figures shown in Life Tables that tell the average life expectations for each age? While these tables may not apply to you individually, they do apply to the composite you — you and all the other tens of thousands at your age.

Send to our Head Office for Canada, in Ottawa, for a Life Table so that you may see how many years it allots to persons of your age. It will be mailed free on request together with a list of many free booklets prepared by the Metropolitan, covering the cause and prevention of almost every disease by which you are threatened.

The Metropolitan Life Insurance Company cordially invites all of its friends and neighbors to share and use the knowledge that is conquering disease and building longer, happier lives.

A. F. C. FISKE, Third Vice-President and Manager for Canada. FREDERICK H. ECKER, Vice-President. HALEY FISKE, President.

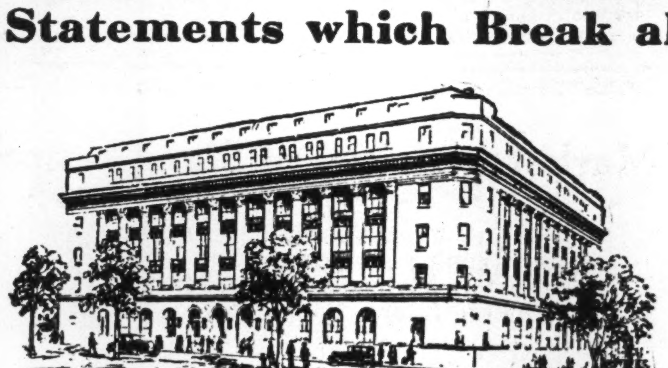
Two Metropolitan Statements which Break all Previous Records

Financial—December 31, 1925

Assets	$1,854,657,482.42
Liabilities:	
Statutory Reserve	$1,646,153,946.00
Dividends to Policyholders payable 1926	40,561,726.55
All other liabilities	63,341,772.75
Unassigned Funds	104,600,037.12
	$1,854,657,482.42
Increase in Assets during 1925	$226,483,134.22
Income in 1925	531,228,443.79
Gain in Income, 1925	74,055,276.69
Paid-for Life Insurance Issued, Increased and Revived in 1925	2,952,142,629.00
Gain in Insurance in Force in 1925	1,574,762,023.00
Total Bonuses and Dividends paid or credited to Policyholders from 1892 to 1926	253,820,489.09

Life Insurance Outstanding

Ordinary Insurance	$5,959,507,749.00
Industrial (premiums payable weekly)	5,013,452,116.00
Group Insurance	1,124,286,927.00
Total Insurance Outstanding	12,097,246,792.00
Number of Policies in Force December 31, 1925	35,222,356



CANADIAN HEAD OFFICE — OTTAWA.

IN CANADA:

Business written in 1925	*$165,123,047*
Business in force at end of 1925	*$633,544,780*
Investments in Canada	*$125,150,919*
Government and Municipal Bonds	*$86,743,283*
All other Investments	*$38,407,636*
Policies in force in Canada	*2,215,742*
Payments to Canadian Policyholders in 1925	*$8,540,178*

Health and Welfare—1925

Lives saved among Metropolitan Industrial Policyholders from 1911 to 1925, in excess of general mortality improvement	240,000 people
Lives saved among Policyholders in 1925 as compared with the death rate for 1911	66,288 people
Decline in mortality rate among Metropolitan Industrial Policyholders since 1911	32.5%
Decline in Metropolitan Tuberculosis mortality rate since 1911	56.3%
Decline in Metropolitan Typhoid mortality rate since 1911	79.8%
Decline in Metropolitan Diphtheria mortality rate since 1911	62.6%
Health information in advertisements reached in 1925	52,000,000 people
Health pamphlets distributed free in 1925	49,182,126 copies
Trained nursing care for sick Policyholders in 1925	2,695,056 visits
Health films shown to more than	2,000,000 people
Total expenditures for Health and Welfare Work among policyholders in 1925	$4,056,482.47

The Metropolitan Life Insurance Company is a mutual organization. It has no stock and no stockholders. Its wealth is owned solely by its 24,000,000 Policyholders—in the United States and Canada.

METROPOLITAN LIFE INSURANCE COMPANY

HOME OFFICE: NEW YORK

Biggest in the World, More Assets, More Policyholders, More Insurance in force; More new Insurance each year.

CANADIAN HEAD OFFICE: OTTAWA